

**FBIS****DAILY REPORT  
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BEIJING KOREAN ON U.S.-USSR 'CONTEST' IN ASIA

SK110744 Beijing International Service in Korean 1100 GMT 10 Jan 87

[Unattributed commentary: "The United States and the Soviet Union Are Accelerating a Contest in Asia and the Pacific"]

[Text] In recent years, the United States and the Soviet Union, two superpowers, have actively accelerated a contest in Asia and the Pacific. Even though their contests still center on Europe, Asia and the Pacific occupy an increasingly important position in their world strategy with the passage of time. This therefore attracts great attention from the countries of the world, and Asian and Pacific countries in particular.

On the diplomatic front, the United States and the Soviet Union consider Asia and the Pacific increasingly more important. In 1984, President Reagan again stressed that the United States is definitely a Pacific country and that Asia and the Pacific are very important to the United States. The Soviet Union has turned its eyes on the East since its new leader has emerged. In his speech in Vladivostok last July, Gorbachev, general secretary of the CPSU Central Committee, again put forward the Soviet Union's plan for security in Asia and the Pacific. The leaders of the United States and the Soviet Union frequently visit Asian and Pacific countries. A visit to India by Gorbachev last November attracted public attention. Over the past 20 years, the United States and the Soviet Union have strengthened their respective influence in Asia and the Pacific in the military sector. As of September 1985, U.S. forces in the Pacific reached approximately 195,000, a third of its total military forces stationed overseas. Meanwhile, the Soviet Union has increased the number of army divisions under the command of its Far East Military District Command to approximately 50. The United States and the Soviet Union each station their powerful naval fleets in this region.

What worries people most is the two superpowers competitively deploy new task forces in Asia and the Pacific. Since 1977, the Soviet Union has deployed approximately 170 SS-20 medium-range missiles and approximately 100 (Dat Fayer-type) bombers in Asia. Meanwhile, the United States has continuously renovated fighters capable of carrying nuclear weapons deployed at forward bases in the West Pacific and on aircraft carriers. In addition, it has deployed Tomahawk cruise missiles to nuclear-powered attack submarines and fleets for maritime operations.

The United States and the Soviet Union have also developed closer relations with their respective allies; completed their respective command systems; controlled strategically important points for maritime transportation; and strengthened the deployment [of forces] at their respective bases abroad. In recent years, the Soviet Union has continuously waged its war of aggression in Afghanistan and has attempted to open routes that lead to the Indian Ocean. In exchange for its support for the invasion of Cambodia by Vietnam, the Soviet Union has expanded military facilities in Cam Ranh Bay and along the Da Nang River and has stationed naval forces in Cam Ranh Bay.

The United States and South Korea conduct an annual military exercise. Approximately 200,000 troops participated in the "Team Spirit-86" military exercise that the United States and South Korea conducted in the spring of 1986.

That the United States and the Soviet Union are accelerating a contest in Asia and the Pacific is also related to their economic interests.

Asia and the Pacific is a vast area and has abundant natural resources and manpower. The economy of Asia and the Pacific in particular is continuously growing despite circumstances in which the world economy as a whole is not in good shape. Since the early days of the 1980's the center of the U.S. economy has begun to lean to the West. Over the past 5 years, the United States has increased its investment in Asia and the Pacific by 65 percent. The volume of trade between the United States and countries in this region has reached as much as \$130 billion in 1983. This is as much as \$26 billion more than that recorded between the United States and the European countries. In 1984, the volume of trade between the United States and Asian and Pacific countries represented 30 percent of the total volume of [U.S.] foreign trade.

The Soviet Union also considers Asia and the Pacific very important. In a statement released by the Standing Committee of the Supreme Soviet of the Soviet Union in April 1986, Soviet officials stated that it wants to form relations of cooperation with Pacific Basin countries in economic, scientific, and technological fields. The volume of trade between the Soviet Union and countries in this region is reported to have greatly increased during recent years. The Soviet Union not only pays attention to fostering cooperation with big countries in this region, but is also trying to foster cooperation with island countries in the South Pacific.

Judging from these facts, the contest between the United States and the Soviet Union, the two superpowers, will be more intense in the future. If such a trend continues, the situation in this region will be disturbed more markedly with the passage of time.

#### U.S.-WEST EUROPEAN 'TRADE WAR' EXAMINED

HK110700 Beijing RENMIN RIBAO in Chinese 9 Jan 87 p 7

[("Economic Jottings" by Shan Ben (1472 0086): "Trade War in the New Year")

[Text] The United States has decided to impose a 200 percent tariff on 11 kinds of European farm products. FRG Economics Minister Martin Bangemann describes the decisions as "being swashbuckling" and a "verbal threat."

There is a catch in Bangemann's remarks because such a "trade war" between the United States and its West European and other trade partners has broken out many times. In 1986 alone, the United States entered a series of wars against other developed nations, such as the "tangerine war," "white wine and chocolate war," "corn war," "wheat war," "aircraft war," and "electronic product war." In the beginning of almost every campaign, both sides demonstrated that they wanted to "fight it out," but they usually "came out even." "Trade wars" emerge in an endless stream, but tariff barriers can hardly calm down trade conflicts between Western countries, because they depend on each other very much in trade. If you impose a tariff barrier against me on wine, I can build a tariff wall against you on wheat. No side can bring its counterpart under control because both sides have their own "weapons." Usually neither side gained, and sometimes their "trade war" poisoned the trade climate of the whole world when it worsened.

Trade friction between Western countries occurs in an unending flow year after year just because their markets are glutted. Imposing tariff barriers on each other's products results in no outlets for their products, but brings about an endless stream of "trade wars" which no one can win.

Where is the way out? Since the oil crisis of the 1980's, many Western academics have identified the problem and suggested that developed countries divert their attention to the Third World and open up new markets there. Putting aside the motives of these academics when they put forward the suggestion, we think it is wise for them to free developed countries from a sorry plight by proceeding from readjusting South-North economic relations, and not by waging a "trade war." Hoping that countries of the Third World buy more Western products, Western countries should first of all help Third World countries develop themselves to raise their purchasing power.

However it is a pity that the problem has yet to arouse adequate attention from many developed countries. Some have realized the point, but they limit money, and others are eager for quick success and instant benefits. In consequence, South-North relations have not changed, the Third World economy has not improved, & the economic situation in the whole world is still not so good. Under such circumstances, the U.S.-European trade war predicts that the world trade market will not be quiet in 1987.

#### CHINA OFFERS ROCKET SERVICE INTERNATIONALLY

04081056 Beijing XINHUA in English 1050 GMT 8 Jan 87

[Text] Beijing, January 8 (XINHUA) -- About 30 foreign companies have asked China to help them launch or recover satellites, said a deputy general manager of China's Great Wall Industrial Corporation here today.

Wu Keli said the companies are from 20 countries, including the United States, Australia, the Federal Republic of Germany, France, Great Britain and Belgium.

Wu's corporation provides a central channel for the Chinese Astronautics Ministry's Foreign Economic and Trade Cooperation and is solely responsible for the launching of foreign satellites with China's Long March carrier rockets.

Wu also revealed that agreements on launching reservations have been signed with the Western Union Telegraph Company, Teresat, Pan American Pacific Satellite Corp., Dominion Video Satellite Inc. of the U.S., and a Swedish space corporation. Their satellites are expected to be launched in the next two years.

According to Wu, the corporation has also signed letters of intent with companies from Iran and some other countries.

China's Long March II carrier rocket, manufactured in the mid-1970's, is 31.7 meters long. The two-stage rocket, which uses liquid fuel, can fire a satellite with a weight of two tons into a low orbit. Since 1975, it has sent up seven satellites successfully.

The Long March III, with a length of 43.25 meters, is a three-stage carrier rocket developed on the basis of the Long March II. So far, it has sent two communication satellites into synchronous orbits.

RENMIN RIBAO VIEWS NEW U.S. CONGRESS' SITUATION

HK091045 Beijing RENMIN RIBAO in Chinese 8 Jan 87 p 6

[*"Commentary"* by reporter Zhang Yunwen (1728 0336 2429): *"Before and After the Opening of the 100th U.S. Congress"*]

[Text] The 100th U.S. Congress opened at noon on 6 January. Since the closing of the 99th U.S. Congress 2 and 1/2 months ago, two important incidents have occurred in the United States. One is that in November's mid-term election, the Democratic Party regained the Senate that it lost for 6 years and gained the majority in the House of Representatives. This is the first time in the 6 years since Reagan became the master of the White House that he has had to deal with a Congress completely controlled by Democrats. The other is the exposure of the U.S.-Iranian arms deals and the diversion of money. This incident has seriously impaired the President's reputation and prestige. What the Democratic-controlled Congress now faces is a President whose position has been weakened and who is now "on the defensive."

Today the Congress officially approved the formation of two special committees for investigating the Iran incident. The committees, consisting of veteran congressmen of the two parties, will begin hearings in the next month and submit an investigation report in August. It can be predicted that every new finding in the investigation conducted by the committees will become the focus of news reporting and affecting Washington's political climate and the White House's agenda. At the first meeting today, the senators of the two parties argued fiercely on whether to immediately publish last year's investigation report of the Senate Information Committee. Republican senators demanded that the report be "made known to the public" immediately so that the public can "know the facts" as quickly as possible; but Democratic senators resolutely opposed this on the grounds that the report was incomplete and that publishing the report before the special committees start work would "cause chaos." Analysts believe that the Democratic Party obviously hopes to prolong the "shadow" of this pending case and the Republican Party and White House officials are, of course, very anxious to let the principal officials of the White House "get away" at an early date.

Yesterday President Reagan submitted to Congress the first \$1,000 billion budget in American history, but it was immediately described by Democratic congressmen as "unrealistic", "wishful thinking." Congress expressed that it would shelve the budget and put forth its own budget proposal. This was described by the press as "the first dialogue" between the White House and Congress and "the first round of financial battles."

New Speaker of the House Wright has announced that the "urgent task" of the current Congress is to put forth another complete trade bill. The trade bill adopted by the House of Representatives last May was described by the White House as protectionist. With no improvement in trade, the Democratic-controlled Senate certainly will take action this year. The White House is studying countermeasures on whether to put forth its bill or to threaten to veto the bill while adopting some administrative measures. Recently the government decided to levy a 200 percent tariff on some agricultural products exported by the EC, to abolish preferential tariff treatment to some developing countries, and to force Canada to give up the tariff on importing timber. All these were aimed at dealing with the new situation.

The conflict between the White House and Congress on foreign policies and the control of arms is unavoidable. Reportedly the two parties of the Senate will ask the White House to honor the nuclear treaty signed with the Soviet Union. Congress will further reduce appropriations for the "Star Wars" program. [paragraph continues]

Of the \$105 million granted to Nicaragua's antigovernment armed forces, which was adopted by Congress last year, \$40 million will become due soon. Due to the influence of the money diversion, the request for this appropriation will be rejected in Congress. Public opinion believes that any new request for granting subsidies raised by the White House will certainly not be adopted in the future.

From the mid-term election and the Iran incident the Democratic Party has not only gained power and opportunity, but has also assumed responsibilities and risks. Public opinion believes that the Democrats will take the initiative in the next 3 weeks on a series of important issues until 27 January when the President delivers a message on the state of the union. The Democratic Party will use its agenda to affect and control the development of the political situation in the country and "leave its marks" in all policy decisionmaking to show to the people its ability to lead the country and to affect the 1988 presidential election. However, if Democrats fail to make any progress on important policy decisions and give people an impression that they are putting their party's interest above the country's interest and that they have gone too far, then they will have to bear the responsibility and their role in next year's general election will be affected.

#### U.S. DEFENSE DEPARTMENT APPROVES RADAR FOR PRC

0W070939 Beijing XINHUA in English 0754 GMT 7 Jan 87

[Text] Washington, January 6 (XINHUA) -- The U.S. Defense Department today informed Congress that it had approved eight arms transactions with six nations -- Egypt, Spain, Greece, Britain, Turkey and China.

The department, in a formal statement of notification, announced that it would provide Egypt with 68 million U.S. dollar weapons including 90 M-113 armored personnel carriers and 50,000 115mm Howitzer projectiles.

The arms transfer to Spain includes 80 Harm missiles and associated spare parts and training support, totalling 42 million dollars, the Pentagon informed the Congress.

Spain is also being provided with 20 Harpoon air-to-surface missiles and associated spare parts for 26 million dollars, it added.

The arms sale to Greece is four Phalanx gun systems worth 56 million dollars, it said. The Phalanx is a computer-controlled gun to protect ships against low-flying cruise missiles.

The United States will send computer equipment valued at 24 million dollars to Britain to help this nation to upgrade its ocean surveillance information center, it said.

Turkey is being offered 86 million dollar spare parts for the American-made C-130, F-4, F-5, F-100, F-104 and trainer planes serving in the armed forces in Turkey.

The department also said that it will sell China radar and radio sets of a type used to locate hostile artillery units in a deal valued at 62 million dollars.

JAPANESE LDP LEADER, DELEGATION CONTINUE VISIT

## Wu Discusses Vietnam

HK121458 Hong Kong WEN WEI PO in Chinese 12 Jan 87 p 1

[Report by Cheng Hsiang [4453 5046]: "Wu Xueqian Yesterday Revealed That China Has Indicated Its Rejection of Vietnam's Proposal for Direct Talks Because It Has Not Abandoned Its Aggressive Policy Regarding Cambodia"]

[Text] Beijing, 11 Jan -- Today, Chinese Foreign Minister Wu Xueqian said to Noboru Takeshita, the visiting secretary general of Japan's Liberal-Democratic Party, that since they took office, the new Communist Party of Vietnam leaders have proposed direct talks with China, but this proposal has been rejected by China.

Wu Xueqian said: There have been no changes in Sino-Vietnamese relations. Although it admits that it has economic difficulties, it does not change its policy of invading and occupying Cambodia. Since they took office, the new Vietnamese leaders have proposed direct talks. However, we think that conditions are not yet ripe. Only after they have withdrawn their troops from Cambodia and stopped all anti-Chinese activities can we hold talks with them.

## Meet Tian Jiyun

OW121532 Beijing XINHUA in English 1448 GMT 12 Jan 87

[Text] Beijing, January 12 (XINHUA) -- China's political reform should be carried on step by step according to plan under the leadership of the Communist Party.

Only by doing so, can political stability and unity in China be maintained and its modernization program proceed smoothly.

These remarks were made by Chinese Vice-Premier Tian Jiyun at a meeting with Noboru Takeshita, secretary-general of the Japanese Liberal-Democratic Party, and his entourage here today.

Tian told the Japanese visitors that this year China will continue its policies of reform and opening to the outside world.

With respect to reform, he called for more efforts to strengthen China's agriculture and explore ways of giving more decisionmaking power to large and medium-sized enterprises.

He stressed that steady steps should be taken in both economic and political reform.

China will unfold a large-scale movement to increase production and practise economy, try its best to raise enterprises' economic results, reduce consumption, improve product quality and lower nonproductive expenditure as well as foster a good mood of society with advanced ideology and culture, he said.

Vice-Premier Tian Jiyun is scheduled to visit Japan January 18.

He told Takeshita that he is determined to promote Sino-Japanese relations and economic cooperation.

"In the visit I hope to have useful discussions with the Japanese side on issues of Sino-Japanese economic relations put forward by Chinese Premier Zhao Ziyang to Japanese Prime Minister Yasuhiro Nakasone last year," he added. "I wish my visit will promote economic cooperation and expand trade exchanges between our two countries." Takeshita said that Sino-Japanese economic cooperation made steadfast development in the recent years. "In the future, Japan will continue to provide as much cooperation as possible to China's modernization," he noted.

#### Feted by Wang Zhen

OW121818 Beijing XINHUA in English 1537 GMT 12 Jan 87

[Text] Beijing, January 12 (XINHUA) -- Wang Zhen, vice-chairman of the Central Advisory Commission of the Chinese Communist Party, met and feted Noboru Takeshita, secretary-general of the Japanese Liberal-democratic Party, and his entourage here tonight.

Both Wang, who is also honorary president of the China-Japan Friendship Association, and Noboru reviewed Sino-Japanese friendship and expressed hope for the constant consolidation and expansion of this friendship.

Takeshita stressed the necessity of expanding Japan-China friendship as history develops.

#### Deng Not Retiring

HK130406 Beijing XINHUA Hong Kong Service in Chinese 0338 GMT 13 Jan 87

[ "Urgent" handwritten report: "Deng Xiaoping Meets Noboru Takeshita" ]

[Text] Beijing, 13 Jan (XINHUA) — At 1030 on 13 January, Chairman of the CPC Central Advisory Committee Deng Xiaoping met Noboru Takeshita, head of the Japanese Liberal-Democratic Party and members of his party at the Great Hall of the People.

At the beginning of the meeting, Deng Xiaoping told Noboru Takeshita with a smile: "You are one of the Japanese leaders of the younger generation. I am very glad to meet you. You are all my old friends!" Takeshita said that he was not young. Deng Xiaoping replied: "But you are young than me. I was born in 1904, and you in 1924. You are 20 years younger than me. You gain the upper hand."

Deng Xiaoping also said: I have asked to retire several times, but people do not agree. It seems that I have to struggle on.

At the beginning of the meeting, more than 100 Chinese and foreign reporters were present. Some 5 minutes later, they left, and the talk between the two statesmen officially started.

#### Deng on Defense Spending

OW130501 Tokyo KYODO in English 0447 GMT 13 Jan 87

[Text] Beijing, Jan 13 KYODO -- China's supreme leader Deng Xiaoping expressed strong concern Tuesday about Japan's increasing defense spending, which will exceed the decade-old ceiling keeping it below 1 percent of gross national product in Fiscal 1987, Japanese officials said.

On Sunday, Foreign Minister Wu Xueqian also warned that Asian countries would react if it appeared Japan might become a major military power.

Deng, meeting Noboru Takeshita, secretary general of Japan's ruling Liberal-Democratic Party, said China faces a serious problem over the aging of its leaders.

Deng said he has often offered to retire but has never been allowed to do so.

Greeting Takeshita at the Great Hall of the People, Deng said he is happy to meet a next-generation leader of Japan.

Takeshita arrived here Sunday for a five-day visit.

Deng, chairman of the Communist Party Central Advisory Commission, told Takeshita that Chinese people, particularly students, have become sensitive to Japan's new defense policy which scrapped the 1-percent-of-GNP barrier on its defense budget.

China keeps an eye on Japan's abandonment of the 1 percent ceiling though the amount exceeded is small, Deng was quoted as saying.

Last December 30, the Japanese Government of Prime Minister Yasuhiro Nakasone compiled the 54,101 billion yen budget for Fiscal 1987 which contains 3,517 billion yen for defense or 1.004 percent of GNP, projected at 350.4 trillion yen for the fiscal year ending March 31, 1988.

No Mention of Hu Yaobang

0W130817 Tokyo KYODO in English 0812 GMT 13 Jan 87

[Excerpts] Beijing, Jan 13 KYODO -- China's senior leader Deng Xiaoping told Japanese conservative politician Noboru Takeshita Tuesday that China is concerned about Japan's Fiscal 1987 defense budget, which will take defense spending above the "limit" of 1 percent of gross national product observed for the past decade.

Deng did not touch on the fate of Communist Party General Secretary Hu Yaobang during the meeting, Japanese officials said. Hu is said by Chinese officials to be ill from overwork.

Takeshita, secretary general of Japan's ruling Liberal-Democratic Party [LDP], arrived here Sunday for a five-day visit. [passage omitted]

The officials quoted Deng as telling Takeshita that the Chinese people, particularly young students, are extremely sensitive over the new Japanese defense policy after the scrapping of the 1-percent-of-GNP ceiling, established in 1976.

Deng said the concept of a "break" through the barrier is troublesome to the Chinese people, and that China hopes the Japanese Government will exercise caution over the matter. [passage omitted]

Takeshita, regarded as one of major contenders to succeed Prime Minister Yasuhiro Nakasone, promised that Japan will maintain its purely defensive security policy and will never pose a threat to neighboring countries, the Japanese officials said.

He pledged to Deng to continue friendship and cooperation between Japan and China, the officials said.

Takeshita, second only to Prime Minister Yasuhiro Nakasone in the LDP hierarchy, told Deng that the party and the Japanese Government will set a new brake on the defense budget before the Diet (parliament) reconvenes January 26 after a New Year recess.

Foreign Minister Wu Xueqian, who met Takeshita on his arrival from Japan Sunday, also sounded a warning against an increase in Japan's defense budget, saying Japan should show more sensitivity toward the feelings of neighboring countries.

When Takeshita voiced concern about the health of General Secretary Hu, Deng, chairman of the Communist Party Central Advisory Commission, replied only "xie xie" (thanks), without saying how Hu is, the officials said.

Some foreign news media have reported speculation that Hu might have lost his position as he has not attended a public engagement since late December. [passage omitted]

At the outset of the meeting, Deng greeted Takeshita and said he was happy to see a next-generation Japanese leader. [passage omitted]

Takeshita is scheduled to return to Tokyo Thursday after visiting Shanghai.

#### Mistake in Handling Students

OW130925 Tokyo KYODO in English 0916 GMT 13 Jan 87

[Text] Beijing, Jan 13 KYODO -- China's senior leader Deng Xiaoping told Japan's Liberal-Democratic Party Secretary-General Noboru Takeshita Tuesday Chinese leadership committed a major mistake for failing to lead students properly.

Deng, in a one-hour meeting with Takeshita, touched on pro-democracy demonstrations in China but did not single out who was responsible, Japanese officials said.

Some foreign mass media have speculated that Communist Party General Secretary Hu Yaobang has been under fire for mishandling the student unrest.

The 82-year-old top leader told Takeshita that there were bad elements behind the demonstrations who put up anti-Communist Party and anti-socialist slogans.

Even some Communist Party members were among those fanning student demonstrators to go against the party in favor of pro-Western, capitalist ideologies, he said.

Specifically, Deng singled out by name professor Fang Lizhi and writers Liu Binhuai and Wang Ruowang who were regarded as leading pro-democracy proponents and were expelled from the Communist Party last week.

The officials quoted Deng as saying that the Communist Party is currently working on handling problems stemming from the rash of student demonstrations which hit main Chinese cities since late last year.

Diplomatic sources here said Deng's statements mean the student unrest might adversely affect China's longtime efforts to modernize industry, agriculture, science, and technology and defense.

Deng's remarks also show that discussions are under way at the core of the party on ways to handle the leadership mistake, the sources said.

Describing the student demonstrators as "only a segment," Deng said China's current structure will never collapse in the wake of demonstrations, the Japanese officials said.

Student demonstrators account for only 1 or 2 percent of all students in China. And even if the percentage rises to 10 percent, China will promote its economic and political reforms, open-door policies and modernization projects anyway, Deng was quoted as saying.

Farmers, workers and intellectuals are opposed to the demonstrations, said Deng who is the chairman of the Communist Party Central Advisory Commission.

Open-door policies cannot be promoted without stability and solidarity in the party. If the party could handle the problems properly, it could attain a firmer solidarity, Deng said.

Deng told Takeshita that his modernization program has hit many obstacles, mainly from the left wing, but this time from the right.

Asked whether there may be some punitive actions, Deng replied that Communist Party members must abide by party disciplines.

Deng said a political party has discipline, questioning whether this principle is true for Takeshita's Liberal-Democratic Party.

#### Stability, Unity Necessary

OW130940 Beijing XINHUA in English 0929 GMT 13 Jan 87

[ "China To Persist in Reform and Opening Policy, Says Deng" -- XINHUA headline ]

[Excerpt] Beijing, January 13 (XINHUA) -- Chinese senior leader Deng Xiaoping said here today that China will persist in its principles and policies, especially the policy of reform and opening to the rest of the world.

Deng, chairman of the Central Advisory Commission of the Chinese Communist Party, made these remarks at a meeting with Noboru Takeshita, secretary-general of the Japanese Liberal-Democratic Party, and his party here this morning.

He said that without political stability and unity it would be impossible for China to carry out construction, the opening policy and reform.

"Reform should be carried out in an orderly way," he said. "That means we must be bold and cautious, and constantly sum up our experience to ensure steady progress." [passage omitted]

YANG DEZHI ARRIVES IN BANGKOK, TO MEET LEADERS

OW111120 Beijing XINHUA in English 1100 GMT 11 Jan 87

[Text] Bangkok, January 11 (XINHUA) -- Yang Dezhi, chief of staff of the Chinese People's Liberation Army, arrived here this afternoon for a week-long official visit to Thailand.

This is Yang's second visit to Thailand since 1983. The present visit is at the invitation of Supreme Commander of the Thai Armed Forces Supha Khotchaseni. During his stay here, the Chinese Army chief of staff is expected to meet Thai Prime Minister Prem Tinsulanon and Thai senior military officials.

He was greeted at the military airport by Supa Gajaseni, Commander of the Thai Army Chawalit Yongchayut and other Thai senior officers.

## Expresses PRC Support

OW130742 Beijing XINHUA in English 0726 GMT 13 Jan 87

[Text] Bangkok, January 12 (XINHUA) -- The Chinese people and Army always stand by the Thai people and Army and firmly support them in their resistance to Vietnamese provocations and aggression.

This was stated by Chief of the General Staff of the Chinese People's Liberation Army Yang Dezhi at a banquet given in his honor tonight by Admiral Supha Khotchaseni, supreme commander of the Thai Armed Forces.

Vietnam, while intensifying its aggressive war against Kampuchea, has frequently invaded Thai territories, Yang said, adding that such an invasion is a direct encroachment on Thailand's sovereignty and has posed a serious threat to its security.

If the Vietnamese authorities dare to act rashly, they will certainly be punished, he noted.

The only way for the Vietnamese authorities to get out of their predicament, the Chinese Army chief said, is to give up their expansion policy and withdraw all their troops from Kampuchea.

After reviewing the long history of friendly contacts between the Thai and Chinese peoples, Commander Supha said Yang's visit has reflected a deep friendship between Thailand and China. It is also a proof of the goodwill the Chinese Government has shown to Thailand, Supa said.

Yang's visit has brought peace to Southeast Asia and benefited stability in the region, he added.

Yang Dezhi arrived here on January 11 for a week-long official visit to Thailand.

XINHUA VIEWS TURKISH RELATIONS WITH WEST

OW061314 Beijing XINHUA in English 1229 GMT 6 Jan 87

[*"News-Analysis: Turkey's Diplomacy Faces New Challenges (by Hua Youzhong)" -- XINHUA headline*]

[Text] Ankara, January 5 (XINHUA) -- Turkey is expected to face new challenges in its relations with the West and on other diplomatic fronts in the year of 1987.

1986 witnessed the normalization of relations between Turkey and the European Economic Community (EEC), which was formally sealed at a special ministerial session of the Turkey-EEC Association Council in Brussels on September 16 last year, the first such meeting since the 1980 military take-over in Turkey. The occasion marked a milestone in Turkey's road toward integration with Europe.

At the end of last year Turkey and the United States agreed to extend their Defense and Economic Cooperation Agreement (DECA) for another five years, ending rounds of negotiations by the two sides over the terms of the accord. The agreement, first signed in March 1980, allows the U.S. Armed Forces to use Turkey's 12 military bases in return for U.S. aid.

Despite the progress made last year, Turkey, an Islamic country bordering on Europe and a key member of the North Atlantic Treaty Organization (NATO), still faces some challenges in its ties with the West in the new year.

The new year, called by the press here as the "Year of Europe" for Turkey, promises to be a momentous one in the history of Turkey's relations with the Europeans. Turkish Prime Minister Turgut Ozal declared at a press conference on December 13 last year that his country would apply for full EEC membership in 1987.

However, the crucial question is whether 1987 will see a change in the European stand on the Turkish case.

Up to now the Europeans have tended to dismiss Turkey's aspirations in this regard as far-fetched and, therefore, not worthy of urgent attention.

They believe that time is not ripe for Turkey to become a member of the EEC.

Furthermore, the Turks will face a more difficult situation if the Social Democrats in Federal Germany and the British Laborites, who have strongly criticized the Ozal Government's records concerning the establishment of democracy and the defense of human rights, win the forthcoming general elections in their countries and come to power.

The general elections will be held in Federal Germany later this month, and all the signs show that there will be a general election in Britain this year.

In addition to the cool response from West European nations, the opposition in Greece is the major obstacle to Turkey's entry into the community. The Turkish-Greek relations have been tense over periodic frictions on many foreign policy issues including the issue of Cyprus.

The bloodshed along their border late last December plunged the relations between the two countries to a low ebb and dashed the hope of any rapprochement.

Thus the prospects for Turkey's relations with the EEC are still uncertain in 1987.

Turkey's settlement with the United States over the two major issues of the new DECA -- the amount of U.S. military aid for Fiscal 1987 and the repayments of Turkish military debts to the United States -- ended its wrangle with Washington, although the terms fall short of satisfying Turkey.

Hard days, however, are ahead for the Turkish-U.S. relations in 1987. The American Democrats have assumed the control of both the Senate and the House of Representatives, and are expected to be tough in their stand on the Turkish question. There is the possibility that the U.S. Congress will vote against the extra military grants to Turkey promised by the Reagan administration last year.

President Ronald Reagan, whose popularity declined following the arms-for-hostages controversy, is not in a position to champion Turkish interests against the pro-Greek lobby in the Democrat camp.

Besides its preoccupation over its relations with the West, Turkey remains deeply concerned over the turmoil-ridden Middle East in 1987.

The Ozal Government has been striving to keep Turkey out of the quarrels and convulsions besetting its neighbors, but as the flash-point switches from one area to another, it is more and more difficult for Turkey to remain a spectator.

Turkey's immediate concern is the oil pipeline in Iraq, which transports millions of tonnes of crude oil annually to Turkey. If Iran's forces endanger the oil installations there, the Turkish Government will face a painful dilemma: To what extent should it intervene if it is forced to intervene?

The ruinous consequences of the Gulf War on the Turkish economy including the two warring countries' inability to pay for their imports from Turkey have helped reinforce the Ozal Government's conviction that its economic destiny should not be decided by the Middle East.

Pushed by this conviction, the Turks, while furthering their economic relations with the West, are now seeking economic cooperation with the Soviet Union and other East European countries. The construction of the fifth pipeline to carry Soviet natural gas to Turkey will be completed this year, and Turkey has officially requested a second pipeline across the Caucasus Mountains.

AFRICANS RETURN TO CLASSES AFTER PRC ASSURANCES

OW121331 Tokyo KYODO in English 1320 GMT 12 Jan 87

[Text] Beijing, Jan 12 KYODO -- African students, who staged demonstrations and boycotted classes to protest against allegedly racist letters sent to their embassies, returned to classes Monday, after Chinese authorities guaranteed their safety and promised to investigate the incident.

Some 600 African students studying at Chinese universities here staged demonstrations in Beijing Thursday protesting the letters and demanded an apology. They boycotted classes Friday and Saturday.

The protest was sparked by letters, allegedly signed by the "Chinese Students' Association" and sent to African embassies in the Chinese capital early last week, which called African students "uncivilized" and "annoying" to Chinese women students.

Representatives of the State Education Committee met with student representatives Sunday and promised to ensure their safety and to conduct an investigation to determine who wrote the letters.

UGANDAN FOREIGN MINISTER DEPARTS FOR PRC VISIT

OW100118 Beijing XINHUA in English 0037 GMT 10 Jan 87

[Text] Kampala, January 9 (XINHUA) -- The Ugandan Minister of Foreign Affairs Ibrahim Mukiibi left here for Beijing today for an official visit to China.

Mukiibi is expected to hold discussions in Beijing with Chinese Government officials on matters relating to bilateral cooperation.

It is the first time for a Ugandan foreign minister to visit China since President Yoweri Museveni's government took power last January.

Informed sources here disclosed that Mukiibi's visit to China is expected to open the way for exchanging visits by more senior leaders of the two countries in the near future.

Meets Wu Xueqian

OW101440 Beijing XINHUA in English 1312 GMT 10 Jan 87

[Text] Beijing, January 10 (XINHUA) -- Chinese Foreign Minister Wu Xueqian and his Ugandan counterpart, Ibrahim Mukiibi, exchanged views on Sino-Ugandan relations and international issues of concern to both sides here today.

Wu, who is also a state councillor, spoke highly of the efforts made by the Ugandan Government led by President Museveni in its domestic and foreign affairs in the past year.

Wu expressed satisfaction with the growth of Sino-Ugandan relations.

"The Chinese Government," he said, "is willing to work together with the Ugandan Government to further explore new areas and ways for friendly cooperation between the two countries and for promoting bilateral relations."

He reiterated the firm support of the Chinese Government and people for the African countries in their just struggle for safeguarding national independence and state sovereignty, for the South African people and the Namibian people in their struggle against the racist Pretoria regime and for liberation, and for the Palestinian people and the Arab countries in their just struggle for national self-determination against Israeli aggression and expansion.

Recalling the development of bilateral friendly relations, Mukibi said the Ugandan and Chinese peoples have strong friendly sentiments toward each other.

The victory the Ugandan people scored a year ago has not only opened a new page in Ugandan history but also created more favorable conditions for expanding Ugandan-Chinese friendship and cooperation, he said.

The Ugandan Government will continue to rehabilitate the domestic economy and rebuild the country by relying on its own efforts, Mukibi said. Uganda also hopes for assistance from friendly countries, which will serve as complement to the Ugandan people's own efforts, he added.

He also said the Ugandan Government firmly supports the South African people and the Palestinian people in their just struggles.

#### Talks to Zhao Ziyang

OW101511 Beijing XINHUA in English 1430 GMT 10 Jan 87

[Text] Beijing, January 10 (XINHUA) -- Chinese Premier Zhao Ziyang said here today that the Third World countries are facing two major problems -- that of safeguarding their stability and unity, and that of stimulating the initiative of their people to develop their national economies.

"The two issues promote each other's development. China's experience shows that it is of great importance for the developing countries to find their own road for development in the light of the conditions in their countries," he added.

The premier made these remarks at a meeting with visiting Ugandan Foreign Minister Ibrahim Mukibi here today.

Zhao suggested that China and Uganda, both belonging to the Third World, study the issue of South-South cooperation together and learn from each other's experience in construction.

He said that China attaches great importance to the development of Sino-Ugandan relations. Mukibi expressed the same view on behalf of Ugandan President Museveni.

The Ugandan foreign minister told Zhao that he had come to China to further the existing friendship and cooperation between the two countries. He pledged that the Ugandan Government would exert itself to further relations between the two countries.

He said that after a five-year struggle, the Ugandan people won victory last January and ended their tragedy. Now a new period of rebuilding the economy, society and infrastructure has begun.

Although the Ugandan people are facing an arduous task, he said, they are bound to march forward through their own efforts and cooperation with friends such as China.

Zhao paid tribute to the efforts of President Museveni in fostering Sino-Ugandan friendly cooperation and leading the Ugandan National Resistance Movement to stop domestic disturbances, bring about national reconciliation, rebuild the economy and safeguard regional stability.

He asked Mukiibi to convey greetings from Chinese President Li Xiannian and himself to President Museveni and Prime Minister Samson Gisekka.

Sign Economic, Technical Pact

OW111256 Beijing XINHUA in English 1231 GMT 11 Jan 87

[Text] Beijing, January 11 (XINHUA) -- China and Uganda signed here today an agreement on economic and technical cooperation and exchanged letters on China granting general commodities to Uganda.

The documents were signed by Chinese State Councillor and Foreign Minister Wu Xueqian and Ugandan Foreign Minister Ibrahim Mukiibi on behalf of their respective governments.

ZIMBABWEAN LEGISLATOR ARRIVES IN BEIJING

OW111258 Beijing XINHUA in English 1229 GMT 11 Jan 87

[Text] Beijing, January 11 (XINHUA) -- Didymus Noel Edwin Mutasa, [name as received] speaker of House of Assembly of the Republic of Zimbabwe, and his party arrived here tonight on a 6-day friendly visit to China.

They were greeted at the airport by Huang Hua, vice-chairman of China's National People's Congress Standing Committee.

Meets Counterpart

OW121706 Beijing XINHUA in English 1534 GMT 12 Jan 87

[Text] Beijing, January 12 (XINHUA) -- Chinese and Zimbabwean Parliament leaders today assured each other of sympathy and support in international and domestic affairs and further cooperation.

Peng Zhen, chairman of the Standing Committee of China's National People's Congress, met D.N. Edwin Mutasa, speaker of the House of Assembly of Zimbabwe, at the Great Hall of the People here this evening.

Peng Zhen spoke highly of the Zimbabwean people's struggle for national independence and their role in international affairs and contributions to the Third World and Africa since they gained independence.

The two countries and peoples shared identical or similar views on many international and domestic issues, Peng said.

"We both wish to build our countries, improve people's living standard and defend world peace," the chairman said. Solidarity and cooperation among the Third World countries are indispensable to world peace.

Peng briefed Mutasa on China's experience and lessons in socialist construction, saying despite setbacks China has made great achievements in its socialist cause.

Hosted by Huang Hua

OW121810 Beijing XINHUA in English 1625 GMT 12 Jan 87

[Text] Beijing, January 12 (XINHUA) -- China will forever stand by the Third World countries, stated Huang Hua, vice-chairman of the National People's Congress (NPC) Standing Committee.

Huang made the remark at a banquet in honor of D.N. Edwin Mutasa, speaker of the House of Assembly of Zimbabwe, at the Great Hall of the People here tonight.

China will, he said, resolutely support the South African people in their heroic struggle against racism and for racial equality, support the Namibian people in their just struggle for national independence and support the efforts by the independent countries in Southern Africa to safeguard their national security and bring about peace and stability in the region.

He spoke highly of Zimbabwe's foreign policy and unremitting efforts for peace and stability in Southern Africa and complete liberation of the African continent.

Chinese and Zimbabwean peoples are friends and brothers, he said. "We have all along sympathized with, supported, helped and learned from each other."

The NPC Standing Committee will do its best to strengthen the friendship and cooperation between the two countries, he said.

Mutasa spoke highly of China's policy of opening to the outside world and its achievements in various fields. He expressed appreciation of China's material and moral support to the Zimbabwean people and its support to the African people in international affairs.

#### SYRIAN VICE PRESIDENT KHADDAM ARRIVES 12 JAN

OW121340 Beijing XINHUA in English 1312 GMT 12 Jan 87

[Text] Beijing, January 12 (XINHUA) -- Vice-President Abd al-Halim Khaddam of the Syrian Arab Republic arrived here this evening at the head of a delegation on a seven-day official goodwill visit to China at the invitation of the Chinese Government.

Khaddam is the first top official from Syria to visit China since diplomatic relations were established between the two countries in 1956. He is accompanied on the visit by his wife as well as Minister of Economy and Foreign Trade Muhammad al-Imadi and Minister of State for Foreign Affairs Isam al-Na'ib.

Greeting the delegation at the airport was Chinese Vice-Minister of Foreign Affairs Qi Huaiyuan.

Vice-Premier Wan Li will officially welcome Khaddam to Beijing at a ceremony tomorrow morning, and Premier Zhao Ziyang will hold talks with him.

Zhao Ziyang Greets

OW131058 Beijing XINHUA in English 1043 GMT 13 Jan 87

["Chinese Premier Holds Talks With Syrian Vice-President" -- XINHUA headline]

[Text] Beijing, January 13 (XINHUA) -- Chinese Premier Zhao Ziyang said here today that China respects agreements reached by the Arab countries and the Palestine Liberation Organization, agreements in keeping with their interests and aimed at finding ways to solve the Middle East issue.

Zhao made these remarks at talks with the visiting Syrian Vice-President 'Abd al-Jalil Khaddam, according to an official of the Information Department of the Chinese Foreign Ministry.

China supports the Fes Plan and the proposition of holding an international conference on the Middle East issue, Zhao was quoted as saying.

The premier expressed appreciation for Syria which has for many years stood on the forefront of opposing the Israeli aggression and expansion and made sacrifices for the cause of the Arab nation.

Khaddam said that the situation in the Middle East is still tense and the struggle is going on due to the U.S. interference and Israeli aggression.

"Syria wants to have peace in the Middle East provided Israel withdraws from the Arab territory and recognizes the legitimate rights of Palestinian people and Arab countries strengthen their self-defense capabilities," the vice-president said.

Zhao said that internal unity is crucial to the Arab nation to win its own rights. "China has been making efforts in promoting this unity," he said. "China's stand to resolutely oppose Israeli policy of aggression and expansion and support the just struggle of the Arab people will remain unchanged."

Referring to bilateral relations, Khaddam said Syria and China share identical views in opposing imperialism and colonialism and building up a new society of their own.

"The Syrian people have profound respect and admiration for the Chinese people," he said. "I hope the economic and technical cooperation between the two countries will constantly grow in the future."

Zhao said that China attaches great importance to the development of its relations with Syria.

Khaddam conveyed Syrian President Hafiz al-Asad's regards to the Chinese leaders and people.

Zhao asked Khaddam to convey President Li Xiannian's as well as his regards to President al-Asad.

HU MISSES ANOTHER APPOINTMENT DUE TO 'FATIGUE'

OW121604 Tokyo KYODO in English 1533 GMT 12 Jan 87

[Text] Beijing, Jan 12 KYODO -- Chinese Communist Party General Secretary Hu Yaobang will miss the second appointment with a visiting foreign dignitary in a week, triggering speculation about the political position of the party chief.

Western diplomatic sources said that Chinese authorities have told a visiting Finnish Communist Party delegation that Hu will not be able to keep an appointment with visiting Finnish Communist Party chief Arvo Aalto, scheduled for Thursday.

The Chinese cited Hu's "fatigue" as the reason in asking for a postponement for the meeting.

The Chinese also pleaded on grounds of "fatigue" in cancelling a scheduled meeting with Noboru Takeshita, the secretary-general of Japan's ruling Liberal-Democratic Party.

Takeshita, who arrived in Beijing last Sunday, carried a personal message to Hu from Prime Minister Yasuhiro Nakasone.

Rumors are circulating in Beijing that Hu has fallen out of official favor, and his position as party general secretary was replaced by Premier Zhao Ziyang.

It was also rumored that Li Ruihuan, the mayor of Tianjin and a protege of Deng Xiaoping, had succeeded Zhao as premier.

However, the official Chinese news agency XINHUA, in a report Monday night, identified Zhao as the premier when he met with visiting Syrian Vice President 'Abd al-Halim Khaddam in Beijing earlier Monday.

Reported 'In Poor Health'

OW131121 Tokyo KYODO in English 1114 GMT 13 Jan 87

[Text] Beisie, Jan 13 KYODO -- Official Chinese sources announced Tuesday Communist Party General Secretary Hu Yaobang has been in poor health.

In a prepared statement, a spokesman for the party's International Liaison Department said Hu has skipped meetings with foreign guests for health reasons. The spokesman did not use Hu's official title of Communist Party general secretary but referred to him merely as "Comrade Hu."

Meanwhile, a Foreign Ministry official said there would be an official announcement as a matter of course if there was some change in Hu's position.

Earlier in the day, a high-level Foreign Ministry official denied foreign speculation that Hu had lost his position as party general secretary in the wake of student unrest since last month. This official said he had not heard of any change in Hu's position.

Some foreign mass media have carried speculation on the fate of Hu after he failed to meet with Japan's Liberal-Democratic Party Secretary General Noboru Takeshita Sunday. Takeshita, currently on a five-day visit to China through Thursday, said earlier that he was told that Hu could not meet him because of fatigue from overwork.

HU, OTHERS SEND WREATHS FOR ZHONG HANHUA

OW131040 Beijing XINHUA Domestic Service in Chinese 0730 GMT 13 Jan 87

[Excerpts] Chengdu, 13 Jan (XINHUA) -- Comrade Zhong Hanhua, a fine CPC member, long-tested loyal and faithful communist fighter, proletarian revolutionary, and outstanding political work leader of our Army, died of illness of 2 January 1987 in Chengdu despite all medical treatments. He was 78. A ceremony to pay last respects to Comrade Zhong Hanhua's remains was held in Chengdu on 12 January.

Hu Yaobang, Deng Xiaoping, Zhao Ziyang, Li Xiannian, Chen Yun, Xu Xiangqian, and Nie Rongzhen sent wreaths to the ceremony.

Wreaths were also sent by Wang Li, Tian Jiyun, Yang Shangkun, Yang Dezh, Yu Qiuli, Qin Jiwei, Wang Zhen, Bo Yibo, Song Renqiong, Wang Ping, Wang Shoudao, Wu Xiuquan, Liu Lantao, Jiang Hua, Li Yimang, Li Desheng, Xiao Ke, Song Shilun, Lu Dingyi, Chen Xilian, Duan Junyi, Geng Biao, Ji Pengfei, Huang Zhen, Hunag Huoqing, Cheng Zihua, He Changgong, Wei Guoqing, Ye Fei, Liao Hansheng, Zhang Aiping, Hong Xuezhi, Yang Yichen, Kang Kequing, Chen Zaidao, Tan Zheng, Li Da, Li Zhimin, Fu Zhong, and Rong Gaotang as well as the CPC Central Committee, the Central Advisory Commission, the Central Military Commission, the Organization Department of the CPC Central Committee, the Ministry of National Defense, the three PLA General Departments, the Discipline Inspection Commission of the Central Military Commission, the Chengdu, Jinan, and Guangzhou Military Regions and the leading party and government organs of Sichuan, Yunnan, Guizhou, Jiangxi, Hubei, and Henan Provinces, Xizang Autonomous Region, and Wan'an County.

Amid the strains of the dirge, Chen Zaidao, Zhu Yunqian, Wan Haifeng, Fu Quanyou, Yang Rudai, and Jiang Minkuan, and more than 400 Liberation Army commanders and fighters paid last respects to Comrade Zhong Hanhua's remains.

Comrade Zhong Hanhua was born in Wan'an County, Jiangxi Province. He joined the Chinese CYL in 1926 and became a CPC member the same year. [passage omitted]

PROPAGANDA DEPARTMENT NAMES INFORMATION BUREAU HEADS

HK130223 Hong Kong WEN WEI PO in Chinese 11 Jan 87 p 1

["Special dispatch from Beijing": "The Responsible Persons of the Information Bureau of the CPC Propaganda Department Changed"]

[Text] Beijing, 10 Jan (WEN WEI PO) -- The responsible persons of the Information Bureau under the Propaganda Department of the CPC Central Committee have changed. The former director of the Information Bureau, Zhong Peizhang, no longer holds this post. Wang Furu [3769 4395 1172] has been appointed director and Liu Guoxiong [0491 0948 7160] and Liu Zuyu [0419 4371 4416] vice directors of the Information Bureau.

KYODO REPORTS DENG STATEMENT ON LIBERALIZATION

OW121433 Tokyo KYODO in English 1410 GMT 12 Jan 87

[Text] Beijing, Jan 12 KYODO -- Top Chinese leader Deng Xiaoping made a statement at the end of last year to the effect that bourgeois freedom must be opposed for at least 20 more years, reliable sources disclosed Monday.

Taking a strongly cautious stand against the recent trend among intellectuals, scholars and students to seek European-type freedom, Deng reportedly said that democracy must be released bit-by-bit. If democracy is released all at once, confusion will ensue, Deng said, indicating the need to restrain excess liberalization, according to the sources.

The statements are taken to indicate that official Chinese policy restraining illusions about European capitalism will continue not only in the current century but also in the next. The statements gave rise to a possible cooling of the liberalization mood in China and retrenchment policies toward academic circles and the press, as well as economic circles.

According to the sources, Deng made these statements on December 30 last year at a meeting convened to discuss the student democracy movement.

Premier Zhao Ziyang, in tune with Deng, mentioned "opposition to bourgeois freedom" as one of the two major political and economic themes to be addressed in 1987, the other, restraining Chinese economics. Zhao's statement is taken to mean reducing the scale of economic reform through restraint on the growth in consumer spending and on unnecessary investment expansion.

The sources said that Deng lauded three persons, including former Beijing University President Zhou Peiyuan and Tianjin City Mayor Li Ruihuan, for having taken measures to oppose resolutely the recent democracy movement. At the same time, Deng denounced Fang Lizhi, vice president of the University of Science and technology, and writer-critic Wang Rewang as undesirable elements within the Communist Party, according to the sources.

WU XUEQIAN ON STUDENT UNREST, OPENING UP, REFORM

HK121319 Hong Kong WEN WEI PO in Chinese 12 Jan 87 p 1

[Report by Cheng Hsiang (4453 5046): "Wu Xueqian Says Student Unrest Will Not Affect Opening Up and Reform"]

[Text] Beijing, 11 Jan -- State Councillor and Foreign Minister Wu Xueqian says today that the recent student demonstrations in China will not affect China's undertakings of reform and opening up. Reform and opening up in China will carry on in a down-to-earth way. This is the first time that the Chinese Government has made such a guarantee to a foreign visitor.

Wu Xueqian made this statement to visiting Noboru Takeshita, secretary general of the Japanese Liberal-Democratic Party.

Wu Xueqian says: The students demand the strengthening of democracy. We hold the view that socialist democracy is still incomplete; therefore, we shall continue our efforts from now on. Some people have proposed the slogan "Down With Tyranny," but that was the doing of a handful of bad elements. The people throughout the nation and the overwhelming majority of college students are against it. The recent student demonstrations were conducted without social groundwork, and the principle of enlightenment was adopted regarding the students. Therefore, the unrest was soon pacified. Now examinations have already begun at all the universities, and are going on smoothly. Japanese economic circles are worried that the student demonstrations might affect China's economy. This is unfounded. We shall continue to adhere to the policy of reform and opening up and do it in a down-to-earth way. This is very important.

#### PENG ZHEN OPPOSES BOURGEOIS LIBERALIZATION

OW130047 Beijing XINHUA Domestic Service in Chinese 1550 GMT 12 Jan 87

[By reporter Li Kunzhou]

[Text] Beijing, 12 Jan (XINHUA) -- Comrade Peng Zhen met with all party members attending an enlarged meeting of the party committee of the Chinese People's Armed Police Force Headquarters at the Great Hall of the People this afternoon.

After hearing a report by Zhang Xiufu, political commissar of the People's Armed Police Force, on the importance of armed police units upholding the four cardinal principles and taking a clearcut stance in opposing bourgeois liberalization, Comrade Peng Zhen said: "The party Constitution stresses, in the first article of its general principles, the four cardinal principles, i.e., socialism, Marxism-Leninism, the people's democratic dictatorship, and the leadership of the CPC. They are also included in the preamble and penetratingly reflected throughout the PRC Constitution. Failing to uphold the four cardinal principles will cause confusion and turmoil in society. To oppose bourgeois liberalization means to safeguard the four cardinal principles, which is tantamount to opposing spiritual pollution." Turning to the recent performance of armed police units, Comrade Peng Zhen said with satisfaction: "They have carried forward the glorious tradition, and their discipline is good."

Present at the meeting were also Xi Zhongxun, Qiao Shi, Chen Pixian, Peng Zhong, Zhang Aiping, and other leading comrades of the Central Political and Legal Commission, the three PLA General Departments, and the Ministry of Public Security.

#### CPC, STATE COUNCIL APPOINT NEW UNIVERSITY HEADS

OW121355 Beijing XINHUA Domestic Service in Chinese 1037 GMT 12 Jan 87

[Text] Hefei, 12 Jan (XINHUA) -- Entrusted by the CPC Central Committee and the State Council, Zhou Guangzhao, member of the CPC Central Committee and vice president of the Chinese Academy of Sciences, announced at a plenary cadre meeting of the Chinese University of Science and Technology this afternoon that professor Teng Teng had been appointed new president of the university and dean of its graduate school. Prof Teng Teng, 56, is an engineering chemist and tutor of postgraduates studying for the doctoral degree. He served as vice president of Qinghua University and vice minister of the State Science and Technology Commission.

At the same time, Zhou Guangzhao announced that Peng Peiyun (female), vice minister of the State Education Commission, would be concurrently party committee secretary of the Chinese University of Science and Technology, and that a new party committee formed after a request for it had been submitted by the leading CPC group of the Chinese Academy of Sciences to the CPC Central Committee and approval had been obtained from the latter.

He also announced that Guan Weiyan had been removed from his posts as president of the Chinese University of Science and Technology, deputy secretary of the university party committee, and dean of the university graduate school, and that Fang Lizhi had been removed from his post as vice president of the university. They were to be assigned by the Chinese Academy of Sciences as research fellows at the Institute of Physics and the Beijing Observatory respectively.

Speaking of the reorganization of the leading body of the university, Zhou Guangzhao said: Over a fairly long period of time, Fang Lizhi disseminated many erroneous statements reflecting bourgeois liberalization and departed from the four cardinal principles on different occasions. His ideas of running the school by attempting to shake off the party leadership and departing from the socialist road resulted in extremely vicious consequences for the Chinese University of Science and Technology. These erroneous ideas were fully revealed in the recent disturbance created by students of this university. As the principal responsible person of the school, Guan Weiyan seriously neglected his duty with the result that ideological and political work at the Chinese University of Science and Technology was weakened to a very great extent. They could no longer ensure Party and state leadership over this university and implementation of the party and state education policy. Reorganization was imperative so as to ensure that the university would be run as a socialist university.

Li Guixian, secretary of the Anhui provincial party committee, also addressed the meeting. On behalf of the provincial party committee, he expressed full endorsement and support for the decision of the party Central Committee and State Council to reorganize the leading body of the Chinese University of Science and Technology. He pointed out: Fang Lizhi advocated bourgeois liberalization, defamed the party's leadership and party cadres, negated the cause of our party over the past decades, slandered and distorted the socialist system, and sowed discord in the relations between the party and intellectuals, especially young intellectuals. What he has done runs counter to the fundamental interests of the party and the masses of people as well as the trend of the development of history. It is in no way permissible. Guan Weiyan committed a serious mistake by turning a deaf ear and a blind eye to the erroneous views of bourgeois liberalization. He has the unshirkable responsibility of being a very bad influence in the whole province and nation as a result of the disturbance created by some students of the Chinese University of Science and Technology. Obviously, Guan Weiyan is unsuited to remain as university president.

Li Guixian said: It should be noted that most cadres and teachers of the Chinese University of Science and Technology disapprove of Fang Lizhi's erroneous words and deeds, and many comrades resolutely reject and oppose his words and deeds. Some comrades made some erroneous remarks under Fang Lizhi's influence. It is a good thing that today they have realized their mistake and corrected themselves. The few comrades who have failed to do so far are allowed to take some time to realize their mistake, but they must observe discipline. The provincial party committee hopes that all party members, cadres, and teachers of this university will uphold the four cardinal principles and take a clear-cut stand in opposing bourgeois liberalization.

It is also hoped that the students at large in this university will preserve the political situation of stability and unity, treasure the environment created by the party and people for them to engage in study, make serious efforts to learn, and strive to cultivate and temper themselves into qualified personnel with high ideals, morals, a good deal of knowledge, and a strong sense of discipline, so as to live up to what the party and people earnestly expect of them. In conclusion, he expressed the hope that the new leading body of the Chinese University of Science and Technology will unite the broad masses of teachers and students, straighten the orientation, that is, by adhering to the socialist orientation, in running the school, so that the university will be turned into a real place for training qualified personnel "with high ideals, morals, a good deal of knowledge, and a strong sense of discipline."

Teng Teng and Peng Peiyun, who had already arrived at their new posts, said at this afternoon's meeting that in accordance with the principles, policies, laws, and decrees of the party Central Committee and the State Council and under the leadership of the Anhui provincial party committee and the Chinese Academy of Sciences, they will unite most extensively the faculty and students of the Chinese University of Science and Technology to penetratingly criticize the trend of thought of bourgeois liberalization, strive to make a success of all aspects of school work, and turn the university into a socialist university in name as well as in reality.

#### BEIJING RIBAO SCORES BOURGEOIS LIBERALIZATION

OW130508 Beijing Domestic Service in Mandarin 1030 GMT 12 Jan 87

[Report on BEIJING RIBAO editorial entitled "Fully Recognize the Great Significance of Opposing Bourgeois Liberalization"]

[Text] The editorial says: In addition to instigation by a handful of bad elements, there are rather deep ideological causes behind the troublemaking of a small number of students. This means that they have been poisoned by the ideological trend of bourgeois liberalization.

Comrade Deng Xiaoping already pointed out as early as 1979 that a very small minority of people in society were spreading doubts and opposing the four cardinal principles. Moreover, some comrades in the party not only failed to admit the dangers of this thought but even, to a certain degree, directly or indirectly lent support to it. He said: We should repeatedly stress adherence to the four cardinal principles because some people, even if a very small minority, are trying to undermine the four cardinal principles. We will never let this happen. Party members as well as ideological and theoretical workers must not waver on this fundamental position in the least.

However, in the past few years, some comrades have not taken a clear-cut stand against bourgeois liberalization. They have shown weakness or have not sufficiently resisted it. Those leading figures spreading erroneous ideas have been seen making reports and publishing articles everywhere. They have had a good market for their views. Comrades who have criticized their erroneous ideas have often been ridiculed.

Inexperienced young students, lacking historical knowledge, social practice, and a foundation in Marxist theory, are the ones who are most easily harmed by rampant bourgeois liberalization.

A small number of them, when put under certain conditions, might do senseless things that would only sadden one's own people and gladden the enemy. This negative lesson reminds us of the need to seriously sum up experience, take a clear-cut stand in adhering to the four cardinal principles, and oppose bourgeois liberalization.

The resolution adopted at the 6th Plenary Session of the 12th CPC Central Committee points out: Bourgeois liberalization means negating the socialist system in favor of capitalism. Some leading figures who have spread bourgeois liberalization have advocated total Westernization. They have blackened China as feudalistic socialism. They have said that the worship of an empty fantasy as the correct goal in the past 30 years in China has proven to be a complete failure and therefore should be discarded. They have praised Western capitalism to the sky. They have said that the pressing need for China is to develop a capitalistic system of production. They have advocated copying exactly the so-called democratic system which protects the interests of a small bourgeois minority. They have said that we should introduce into China such decadent capitalistic ideology as extreme individualism and sexual freedom. What they really want is to totally capitalize China.

The leading figures spreading bourgeois liberalization have concentrated their energy on attacking and slandering the Communist Party. They have termed the party leadership as black leadership. They have charged that the CPC leadership is a bureaucratic and privileged class. They say it is dictatorial and authoritarian. They say the CPC leadership should be sidelined or, at best, given a symbolic role. They have called on people poisoned by bourgeois liberalization to join the Communist Party so as to reform and change its color. They want to abolish Marxism as the guiding principle in China. Some media have even rejected publishing Marxist views. It is very clear. What they want is to negate the leadership of the Communist Party.

The leading figures spreading bourgeois liberalization greatly advocate the illusory bourgeois democracy. They try to confuse people's minds and incite anarchism. They distort reality and spread rumors, instigating students to make the party and the government objects of their struggle and urging them toward violent struggle to obtain real democracy. They say that the east wind is blowing; the war drum is beating; who is afraid of whom now? They have created an atmosphere of turmoil; they have incited young students to show their strength and to get ready to rush against and stab at the Communist Party. Is this not inciting troublemaking?

The leading figures spreading bourgeois liberalization have tried to use students to force the Chinese Communist Party to retreat until the latter gives up the four cardinal principles. But they have grossly miscalculated.

The policies adopted by the CPC since the 3d Plenary Session of the 11th CPC Central Committee have won the hearts and minds of the people. China taking the path of socialism and adhering to opening and reform is irreversible. There is currently no social cause for earth-shaking change in China. Workers, peasants, PLA commanders and fighters, cadres, and patriotic and democratic people are all against bourgeois liberalization in China. A great majority of the 2 million college students have not been deceived. Those students in the minority who have been deceived will quickly discard those spreading bourgeois liberalization once their real face is exposed.

The editorial says: Those leading figures advocating bourgeois liberalization, though a very small minority, are mostly Communist Party members. Their erroneous talk has some degree of seductive power. If left unchecked, it will create very serious harm. Therefore, the struggle is inevitable. We should clearly see that opposition to bourgeois liberalization is related to the fate of our party, the future of socialism, and the success or failure of reform and opening; thus it has great significance.

The editorial stresses in conclusion: We should, through the struggle of opposing bourgeois liberalization, develop the situation of stability and unity and ensure the smooth progress of reform, opening, and socialist construction.

#### HONG KONG PAPER FORESEES PURGE OF INTELLECTUALS

HK130241 Hong Kong SOUTH CHINA MORNING POST in English 13 Jan 87 p 12

[Editorial: "Intellectuals a Sop to Party Hardliners"]

[Text] Last summer, intellectuals in China were being urged to speak their minds and put forward their own views about how the modernisation program should develop even if they differed markedly from the official line. "Our socialist system not only does not fear people speaking out, but also encourages them to do so," trumpeted the GUANGMING DAILY in a front-page exhortation which echoed Chairman Mao's "One Hundred Flowers" campaign 30 years earlier.

Mao said China should "let one hundred flowers bloom; let one hundred thoughts contend". Nobody knows for certain how many people took him at his word, and spoke out genuinely believing they were making a contribution to socialist progress. What is known is that many of those who did were subsequently executed for having had the temerity to suggest that there may have been other views than those put forth by the Communist Party, or by the clique controlling it at the time. The outspoken intellectuals of 1956 dug their own graves.

The backlash to which last summer's mini-campaign has now led is unlikely to be anywhere near as severe. But a backlash there is, and it has started, with a number of outspoken reformers feeling the chill wind of Beijing's displeasure. The consequences are likely to be quite extensive, and those who have been most outspoken will suffer the most.

Mr Deng Xiaoping did not mince his words during a conference with other leaders, contained in the party policy directive revealed by this newspaper yesterday. He is clearly intent on conveying the message that reformers and hardliners are united in seeing the recent wave of unrest as a threat to China's stability. The unity of reformists and hardliners thus imparts a greater degree of justification to the current purges.

Mr Hu Yaobang has not been seen in public since December 30, the day before the meeting with Mr Deng, and has missed at least three important official engagements which would normally have demanded his presence. As the leading light of the reform camp within the party, there must be a strong possibility that he has fallen from favour. It would be ironical if his last official task should have been his attendance at a meeting which put a full stop to the liberalisation he had done much to encourage.

Ostensibly, the danger to the state posed by the campus unrest lay not in any threat to public order but in the ideological stance adopted by the students and the intellectuals who inspired them. They were seen as advocating "bourgeois liberalism" and undermining the primacy of socialist doctrine. They were espousing a fundamental belief in individual rights -- that is that individuals have certain natural rights which do not depend on the state. The orthodox view, of course, is that the state dispenses these rights as a bonus to the people, and as the state rules only by the people's consent and only in their interests, its dispensations are infallible. So much for the ideological battlelines.

In reality, however, "socialism" has come a long way since Mr Deng re-established himself in power. The financial, agricultural and industrial evidence for this is overwhelming, and indeed China's modernisation depends on the dismantling of just the kind of ideological rigidity the students were challenging. No matter how much the propaganda machine attempts to disguise it, the money market introduced as part of reforms to the banking sector remains a money market; the profit incentive has returned to agriculture and is beginning to make its presence felt in industry; political controls of all sectors of the economy are necessarily being removed.

Party orthodoxy, in all the areas that count in the modernisation program, is on the retreat, to be replaced by what can only be described as a sort of ad hoc heterodoxy. The party theoreticians themselves seem at a loss to predict where all this will lead.

The students posed less of a challenge to socialist purity -- guarded with unfailing vigilance by the party itself -- than any one of these economic reforms. On the other hand, the students are of much less importance to Mr Deng than the success of these reforms. If the reforms fail, the whole country will be plunged into chaos. The students and their mentors are expendable.

The intellectuals have now fulfilled the role Mr Deng scripted for them. Purging them will satisfy the party hardliners that they still have a part to play as guardians of the socialist heritage. For a while at least, this will keep the traditional left quiet, leaving Mr Deng to get on with the business of steering China on a course which has little to do with theory, but with cold economic reality.

#### RENMIN RIBAO VIEWS SOCIALIST, CAPITALIST 'HORSES'

HK121413 Beijing RENMIN RIBAO in Chinese 5 Jan 87 p 5

[Article by Bao Tong (7637 1749): "The Young Horse of Socialism, the Old Horse of Capitalism, and Other Related Matters -- A Heart-to-Heart Talk With Young Friends"]

[Text] When it comes to horse breeds, they can undoubtedly be divided into fine and inferior ones. The difference between fine and inferior horses is a reality. A certain horse can walk several hundred li a day while another can do only several dozen li.

However, can we compare a young fine horse to a physically mature but inferior horse? Can we draw the conclusion that a fine horse is more "vicious" than an inferior horse? Of course not. This is a matter of common sense, and is perfectly clear. Whoever draws the conclusion that a fine horse is not fine by proceeding from the argument that a young fine horse is not as good as a physically mature inferior horse, will surely be considered incredible. This is because when such a comparison is made, it fails to take the obviously incomparable elements into account: The young horse is far from physically mature while the inferior horse has long been in the service of many states.

In comparing and analyzing the superiority of the socialist and capitalist systems, we must adopt this attitude. That is, we can and must only make comparisons between comparable elements and exclude incomparable elements. This is a scientific, objective, fair, serious, and responsible attitude.

CHINA IS NOW IN THE INITIAL STAGE OF SOCIALISM. THIS IS A VERY IMPORTANT JUDGMENT. AS I SEE IT, THIS IS OUR STARTING POINT IN STUDYING AND HANDLING CHINA'S VARIOUS CURRENT SOCIAL PROBLEMS.

Socialism has been built in our motherland for 30-odd years, during which time our motherland suffered from a calamity lasting a decade. However, the socialist system has still quite clearly displayed its superiority, though only initially and "only a small part of its superiority." Compared with all capitalist countries, we have more thoroughly solved the problem of "land to the tiller;" more extensively solved the problem of worker unemployment; far more satisfactorily solved the problem of the wide gap between rich and poor in society; and more satisfactorily solved such social problems as drug addiction, gambling, prostitution, robbery, and murder. Under the socialist system, we have made such great achievements, which are "only a small part of its superiority," for the last 30-odd years, including the 10 years that played a negative role, a mere flash in the long process of human history. What have we relied on in doing so? Is it not the leadership of the Communist Party and the superiority of the socialist system on which we have relied? If we study problems in a sober and fair manner, we can quite easily get a clear picture of the problems.

The point at issue remains the "young horse." Out of patriotic enthusiasm and devotion, some of our young friends eagerly hope that our motherland will become rich, thriving, prosperous, and developed at an earlier date. However, after making comparisons of one kind or another, they "find" that the young horse of socialism is inferior to the old horse of capitalism in some ways. Then they feel perplexed, alarmed, and confused, and do not know how to explain this problem. Laden with anxieties, they ask questions of their teachers and friends about the matter. Some receive satisfactory answers; others are given fairly unconvincing answers, since those who give the answers are themselves not very clear about what they are discussing and are naturally unable to give any thorough explanations. Still others are given irresponsible answers.

The "CPC Central Committee's Resolution on the Guiding Principles for Building Socialist Spiritual Civilization" adopted by the 6th Plenary Session of the 12th CPC Central Committee, held in 1986, affirmed that China is now in the initial stage of socialism. This is a very important judgment. As I see it, this is our starting point in studying and handling China's various current problems. We must stand on solid ground. This is the most practical way to do things. Otherwise, we will lose our balance, or if we're not careful enough, we may have our heads turned upside down and approach the objective world in a confused way. Have we not had enough lessons in this regard? During the early days of the party, having failed to acquire a clear understanding of the nature of the current stage, some comrades advocated immediately carrying out socialist revolution. Others proposed that democratic revolution of the old type be carried out as before. Prevailing over all dissenting views, together with his other comrades-in-arms, Comrade Mao Zedong put forward the program for new democratic revolution, clearly showing the nature and orientation of the revolution at that time. Similarly, we must be clear about the stage that China has reached at present. This is very necessary for us to achieve unity of thought on a scientific footing.

IN THOSE YEARS COMRADE MAO ZEDONG WROTE A BOOK "ON NEW DEMOCRACY." NOW WE NEED A BOOK "ON THE INITIAL STAGE OF SOCIALISM." WE, THE PEOPLE OF THIS GENERATION AND COMRADES AND FRIENDS WHO ARE A LITTLE YOUNGER THAN US, MUST MAKE A DETERMINED EFFORT TO "WRITE" THIS BOOK AS SATISFACTORILY AS POSSIBLE BY ENCOURAGING COLLECTIVE WISDOM.

In those years, Comrade Mao Zedong wrote a book "On New Democracy." We also need a book "On the Initial Stage of Socialism." We, the people of this generation and comrades and friends who are a little younger than we are, must make a determined effort to "write" this book as satisfactorily as possible by encouraging collective wisdom. It will deal with such problems as economic and political construction, cultural development, and so on, and the interests of various social groups and the party leadership in the initial stage of socialism. By "writing," we mean understanding again and straightening out our thinking, as well as continuing to realize modernization in practice. Several decades from now when we have finished "writing" the book we will be able to proudly assign tasks to our children and our children's children. This task will be to "write" a book on the "intermediate" stage of socialism. Of course, they are encouraged to ponder and decide the name of the coming stage themselves. Nevertheless, during the coming decades, we must concentrate our efforts and energies on "writing" the book "On the Initial Stage of Socialism."

This will indeed be a voluminous work whose completion will take several decades. It is better for us to assume that it will take a longer rather than a shorter time to complete the work. Being mentally prepared to fight for a long time is better than being overanxious for quick results. Almost 70 years have passed since the Soviet neighbor's October Revolution in 1917. They have undergone a process of cognition with regard to their developmental stage. At its "height," they said they were building communism; later, that they were at the stage of building developed socialism; still later, they were sure they were at the gate of developed socialism; and now they firmly believe they are still in the developing socialism stage. We must draw a conclusion from their lessons and that is that in judging the developmental stage of society, we must definitely refrain from being impetuous. In my opinion, as far as the history of human society is concerned, several decades should be taken as the most rudimentary measuring unit. The argument that we can stride to a certain stage within several years or dozens of years is, I am afraid, just wishful thinking. Feudalism prevailed in different countries for several hundred, or 1 to 2 thousand, years. Capitalist society has existed for several hundred years. Although afflicted with diseases, it will not necessarily wither away in the foreseeable future. If each developmental stage of socialist society requires several decades, this can be considered the fastest rate. Some developmental stages may take 100 years or longer. I dare not make any improper conclusions since I have not delved into the issue.

IN OVERCOMING THE SHORTCOMINGS OF OUR SOCIALIST SOCIETY, WE MUST NOT DESTROY SOCIETY, JUST AS WE MUST NOT TEAR OURSELVES TO SHREDS WHILE OVERCOMING OUR SHORTCOMINGS.

If we acknowledge that at present we are in the initial stage of socialism, many ideological questions can be readily solved.

For example, why are there still malpractices in real life? Why have feudal vestiges not been wiped out so far? Why do we still need to guard against the bourgeois liberalism tendency? Why do various forms of ownership and methods of operation still exist after such a considerable length of time? Why should we make long-term efforts to develop the planned commodity economy and socialist democratic politics? Why is it not appropriate to set excessively high targets and overanxious demands regarding the question of reform and construction?

This is because, in the final analysis, we are now in the initial stage of socialism. Whether you like it or not, you cannot live in a mirage. A towering building begins on the ground and a great distance starts at your feet. In overcoming the shortcomings of our socialist society, we must not destroy society, just as we must not tear ourselves to shreds while overcoming our shortcomings. It is a good intention to wish that iron could turn into steel at once, but merely good intentions will not do. To turn iron into steel, what is needed is forging rather than casting. If you cast "iron" at the initial stage, "steel" at the advanced stage will be out of the question.

Let us return to the topic of the "young horse." Socialism in China has a history of just 30 years or so, while most capitalist countries have existed for several hundred years. We have something better than theirs, of which we are proud. In terms of social system, we have chosen the socialist system, which is superior to the capitalist system. Indeed we are not as good as them in some aspects, but this can be attributed to the fact that ours is a big developing country and theirs are highly developed countries rather than socialist. This point is, in fact, already very clear. We will have a clear picture of the issue if we look at the problems confronting some other big developing countries. What a pity little reading material on the situation in these countries is currently available. When it comes to capitalism, more often than not highly developed countries which have adopted the capitalist system are introduced. When some developing countries are dealt with on occasion, most of these are small countries or regions which have special conditions and exceptionally favorable circumstances. The more the incomparable elements, the greater the resulting unreliability and untruthfulness will become.

Is this hiding the sickness for fear of treatment? Certainly not. Genuine Communist Party members never make any attempt to conceal their shortcomings. The Communist Party itself has solemnly set the reform tasks precisely for the sake of overcoming, rather than concealing, its shortcomings.

DEMOCRACY IS PROCEDURAL AND CONDITIONAL. FREEDOM HAS ITS LIMITS AND SHOULD BE KEPT WITHIN THE FRAMEWORK OF LEGALITY. LAUNCHING MOVEMENTS DOES NOT HELP DEVELOP DEMOCRATIC POLITICS. HAS CHINA NOT ENDURED ENOUGH BITTER SUFFERING FROM LAUNCHING "MOVEMENTS?"

How many years will it take to complete the reform tasks? Let us again return to the topic of the initial stage of socialism. The socialist commodity economy has a process of development. In this regard we must on no account use the method of trying to help the shoots grow by pulling them upward. Many comrades understand this. Who can think out the market system overnight? Socialist democratic politics also need a process of development. In this regard we must on no account act with undue haste. Many comrades fail to adequately understand this. In fact, this is easy to understand. If one conscientiously organizes a class meeting, an academic forum, or a sparetime recreational activity, one will find that it is no easy job, and there is something to all this. In social life as a whole, school life can be considered relatively simple. Of the other members of society, university students can be counted as having a higher cultural level. This being the case, what about the other fields of endeavor? How we can expect improvement in the whole nation's cultural quality to be accomplished in one stroke?

A solid job should be done in developing socialist democratic politics. It should be achieved in a steady and accumulative way. Democracy is procedural and conditional. [paragraph continues]

Freedom has its own limits and should be kept within the framework of legality. Launching "movements" does not help develop democratic politics. Has China not endured enough bitter suffering from launching "movements?" Among the people living on China's soil today, some were born under the rule of the Qing Dynasty; others in the years of tangled warfare among warlords; others in the years when China was under the heel of Japanese imperialism; others under the corrupt KMT reactionary rule; and still others in the time when New China was founded. They have experienced some of the vicissitudes of life and suffered much in the years of turmoil. Therefore, all of them are overjoyed with the current political situation marked by stability and unity. Younger comrades and friends who understood general human affairs during the "Great Cultural Revolution" also understand the great value of stability and unity. All of us hope that this situation of stability and unity will continue to develop into a situation in which our country will enjoy a long period of order and stability. The greater the degree of stability and unity, the more smoothly our reform may proceed, and the shorter time it may take for completion. On the contrary, if the situation of stability and unity is jeopardized, we will be unable to carry out reform. This is not alarmist talk.

Of course, the socialist system, which corresponds to the interests of the people and has won their support, can only be toppled with difficulty. However, any disruption caused by disorder is bound to delay the process of reform and modernization. This obviously infringes upon the fundamental interests of the people throughout the nation. The "Great Cultural Revolution" has delayed our socialist cause by 10 years. Up to now we still have a bitter hatred for this. Are we willing to delay our own cause for no purpose for another several years? Who is willing to do this? Who has the heart? Who is determined enough to take the initiative?

The year 1987 has begun. At the beginning of a new year, it is meaningful for us to be concerned about state affairs. I have advanced my rambling views for discussion with our young friends.

#### PREMIER ZHAO ZIYANG SPEAKS WITH SCIENTISTS

OW130452 Beijing XINHUA Domestic Service in Chinese 1512 GMT 12 Jan 87

[By reporter Li Shangzhi]

[Excerpts] Beijing, 12 Jan (XINHUA) -- Meeting with some scientists and technicians in Zhongnanhai this afternoon, Zhao Ziyang, member of the Standing Committee of the CPC Central Committee Political Bureau and premier of the State Council, stressed that China is a developing country and a spirit of arduous struggle is essential for achieving socialist modernization, as well as accomplishing any other project.

Comrade Zhao Ziyang arrived at the meeting hall with comrades Wan Li, Fang Yi, Hu Qili, Bo Yibo, and Song Jian at 1730 [0930 GMT] to meet with 19 scientists and technicians who have made outstanding contributions to the state. [passage omitted]

After everybody sat down Comrade Zhao Ziyang, while reading the information of the scientists and technicians, inquired on their professions, work and life. The 19 comrades were scientists and technicians who have made outstanding contributions on the forefront of scientist research, production, and teaching. Most of them are middle-aged and young people. The youngest is only 26.

Zhao Ziyang said: This is the second time that scientists and technicians have been invited to visit Zhongnanhai. After taking a look at the visitors he added humorously: "Compared with the previous visit in 1985, something is different today. First of all, we have a greater number of people. Last time we had only 6 visitors, but we have 19 this time. Second, we have a larger number of comrades from the grass-root units who have combined research with production. Third, we have a greater percentage of middle-aged and young comrades. Fourth, many of you have become professionals through self-study, as well as by doing actual work."

Premier Zhao said with a smile: "Our meeting is significant. It is our wish that contacts between comrades of the central departments and comrades of the scientific and technical circles be promoted in this way. More importantly, we want to express our support for people who have achieved outstanding successes in the field of science, technology, and production and to encourage and commend them."

Zhao Ziyang said: Socialist modernization requires all kinds of personnel. Our country pays great attention to developing all types of educational work, and it will increase the number of colleges and schools and expand their sizes so that more students can be trained. However, China is a developing country and school education is available to only a limited number of people. Thus, we urge people to work hard at their posts with a view to becoming more useful through self-study. This is a broad way. This can be explained very well by the fact that many of you specialists here have never attended colleges or even middle schools. We strongly encourage people to improve and train themselves to become useful personnel at their production posts.

Zhao Ziyang stressed: Economic construction requires science and technology, and scientific and technological work should serve production. This is the proper relationship between economic work and science and technology. In the final analysis, scientific research and scientific and technological work serve the purpose of promoting production and construction, and scientific and technical work must serve the needs of production and construction. While we should have a clearer understanding of this view, we should support it with policies, ensure its implementation with organizational measures, and protect it with law. In short, we must promote closer ties between scientific research and production because only by doing this can we give full scope to the researcher's initiative and role and promote production.

Zhao Ziyang said cordially: "The working and living conditions of most of you, who come from the grass-roots level, are not so ideal. I think the main reason you have made outstanding successes under such conditions is that you have displayed the spirit of arduous struggle." He added: "The party and the government should make every effort to improve the working and production conditions of scientists and technicians, so that they can do their work with undivided attention. However, we must also realize that China is a developing country, the working and living conditions in which still cannot be compared with those undeveloped countries. This is why we have to carry forward the spirit of arduous struggle in pioneering new projects and solving major technical problems. With this spirit we can achieve outstanding success under the given conditions."

Zhao Ziyang stressed: "Thanks to the spirit of arduous struggle, we have launched satellites and you comrades have made contributions to the country. What you have accomplished embodies this spirit and provides guidance. Your spirit and guidance should be supported, encouraged, and commended."

Zhao Ziyang said: Since the 3d Plenary Session of the 11th CPC Central Committee, the party and the government have adopted a series of measures to give full scope to intellectuals' initiatives and improve intellectuals' social status and working conditions. They will continue to do so. The past 8 years, following that plenary session, have been China's best period of economic development. These 8 years have also been the best period for Chinese intellectuals to enjoy peace of mind and serve the country with what they are good at. Today the overwhelming majority of Chinese intellectuals are pondering this issue. They should treasure this gratifying situation, which was not easy to come by; work wholeheartedly and spare no efforts in dedicating their wisdom and talents to the great cause of the four modernizations; and never disappoint the party, the government, and the people, who pin high hopes on intellectuals. We firmly believe that the vast numbers of Chinese intellectuals, scientists, and technicians can accomplish the historical tasks this era has entrusted to them and can, under the CPC's leadership, ignore interference, march forward in big steps, and make still greater contributions to building a stronger China.

Speaking about Zhao Ziyang, Wan Li said that the spirit of arduous struggle and serving the motherland displayed by the scientists and technicians embodied the spirit of the Chinese people. He said: Chinese intellectuals are patriotic and hardworking. As long as they maintain this spirit, they can make still greater contributions to the country.

Then, at Zhao Ziyang's request, Bo Yibo said to the scientists and technicians: "Comrade Ziyang has pointed out the direction for scientists and technicians, and the spirit of arduous struggle that he has stressed should also be the goal of the people in the country. You have demonstrated a virtue through working hard for the prosperity of the country and the people, even though you are not well paid at grass-root units or on the forefront of research and production. Chinese people have always been a people with self-respect, self-confidence, and the will to do even better. The contributions you have made to the country have far exceeded your rewards, and you should be commended by the party, the government, and the people and respected by the people. Our country and people will have even more promise if everybody emulates and fosters your spirit."

Then it was Hu Qili's turn to speak. He said: We should stress self-reliance, establish our footing on the great land of China, work hard, and do pioneering work through arduous struggle. So long as we do this our country and our people will certainly become stronger.

Fang Yi said: We have to heighten the Chinese people's self-respect and self-confidence, have the will and determination to do even better, and carry out arduous struggle with concerted efforts under the CPC's leadership. When we do this there will be a bright future for our scientific and technical development and our various other work.

Following the meeting Comrade Zhao Ziyang and others had a photo session and dinner with the 19 scientists and technicians.

Leading members of the State Scientific and Technological Commission; the Ministry of Agriculture, Animal Husbandry, and Fishery; the Chinese Academy of Sciences; and the State Education Commission were also present.

TIAN JIYUN, ZHANG JINGFU DISCUSS GOLD PRODUCTION

GW112240 Beijing XINHUA Domestic Service in Chinese 1210 GMT 6 Jan 87

[By reporter Xu Kehong]

[Text] Beijing, 6 Jan (XINHUA) -- China is witnessing a trend of vigorous growth in its gold production. During the Sixth 5-Year Plan, the country's gold output increased at an average annual rate of 10 percent. Last year, it again overfulfilled the production plan, topping 1985 by 10.6 percent. So far, 33 counties (cities) across the country have produced over 10,000 liang of gold.

This reporter has also learned from a national gold production work meeting, which ended here today, that China will mobilize the efforts of various quarters to push gold production to new heights.

Leading comrades Yao Yilin, Tian Jiyun, Fang Yi, Chen Muhua, and Zhang Jingfu attended the meeting.

In his speech, Vice Premier Tian Jiyun said: Gold is a special precious metal that occupies an important position in the national economy. Increasing gold output and storage will enhance the country's economic power and prestige when conducting foreign economic activities. It will also accelerate the economic development of gold-producing areas and enrich their people's livelihood. Regions and departments concerned should create favorable conditions in order to make a breakthrough in gold production.

State Councillor Zhang Jingfu announced at the meeting a series of preferential measures that the state will adopt to fire the enthusiasm of all quarters to increase gold production, including mapping out separate plans for the gold trade, introducing new subsidies for prospecting gold mines, and setting up a new geological prospecting fund for gold mines.

According to information from relevant departments, China has relatively rich gold mines. In recent years it has successively discovered some new prospecting areas and new types of gold ores, including some in old mining areas. So far, we have paved certain material and technological foundations and improved the means of gold production. Some 280,000 people are engaged in gold production and 80,000 in gold prospecting in China. The unprecedented enthusiasm among the people across the country in raising funds for prospecting mines may indicate that conditions are ripe for realizing in the near future the gold output target set by the State Council.

At the meeting today, merit certificates were awarded to 120 units which have contributed to the gold industry in prospecting, mining, smelting, procurement, cracking down on smuggling, and scientific research. Congratulating the award recipients in his speech, State Councillor Fang Yi urged regions and departments concerned to achieve further progress in gold production in the spirit of reform and mobilize all positive factors to improve technology and solve technological problems.

LI PENG MEETS ENVIRONMENTAL PROTECTION DIRECTORS

OW1112116 Beijing XINHUA Domestic Service in Chinese 1246 GMT 8 Jan 87

[By Central People's Broadcasting Station reporter Yang Shiguang and XINHUA reporter Yang Like]

[Text] Beijing, 8 Jan (XINHUA) -- Vice Premier Li Peng said this afternoon that we must seriously carry out the long and arduous work of environmental protection in combination with the actual situation in China. He made this remark when meeting delegates to the National Conference of Directors of Environmental Protection Departments and Bureaus.

Li Peng said: We have made progress every year in environmental protection work. However, since our country's financial resources are limited, we are unable to invest more money in this work. The current principle on environmental protection covers the following areas: The policy on the control of old pollution sources remains the same, that is, the polluter is responsible for pollution control. The principle components of all new, expansion, or renovation projects must be designed, built, and put into operation simultaneously with the pollution control facilities in order to reduce the number of new pollution sources and achieve unity of the three" -- unity of economic results, social benefits, and environment benefits. We must step up supervision and management, perfect laws and regulation, prevent and control pollution, and improve quality of the environment. We must rely on science and technology to put the environment in order.

In conclusion, Li Peng said: Environmental protection is needed for the development of a commodity economy and is an objective necessity for the four modernizations drive. He hopes that comrades working in the environmental protection field will continue their efforts to achieve even greater results.

Also present at today's meeting was Song Jian, state councillor and minister in charge of the State Science and Technology Commission. Qu Geping, director of the State Environmental Protection Bureau, and responsible comrades of some provincial and municipal environmental protection bureaus briefed the meeting on their current environmental protection work.

GU MU ON RULES TO ENCOURAGE FOREIGN INVESTMENT

HK130235 Hong Kong ZHONGGUO XINWEN SHE in Chinese 1358 GMT 9 Jan 87

[Report: "Gu Mu Says the State Council Is About To Announce Detailed Regulations on Encouraging Foreign Investment" -- ZHONGGUO XINWEN SHE headline]

[Text] Harbin, 9 Jan ZHONGGUO XINWEN SHE) -- Today, Gu Mu, state councillor, told some visiting businessmen from Hong Kong and Singapore that China is formulating more than a dozen detailed rules for enforcing the regulations promulgated by the State Council last year on encouraging foreign investment. He said: The customs, the banks, and the labor and personnel departments have announced all their detailed rules except three, which will be announced soon. The dozen or so rules will be formulated in 1 to 2 months. Their purpose is to protect the interests of foreign investors in China by legal means.

At a foreign investment forum held by Heilongjiang Province, Gu Mu revealed the above after listening to the opinions and criticisms of eight visiting businessmen from Hong Kong and Singapore. He said: The State Council's 22 regulations on encouraging foreign investment are still far from perfect. Much remains to be done. It is necessary to tell various departments and regions to formulate a larger number of detailed rules so that foreign investors have laws, regulations, and rules to abide by.

After hearing their opinions, he said: In formulating and enforcing regional rules on encouraging foreign investment, it is necessary to make them compatible with the 22 regulations formulated by the State Council. In the event of contradictions, the State Council's relevant regulations will be taken as the norm. All parts of the country must faithfully enforce the State Council's regulations on encouraging foreign investment.

Today, (Wong Wai-on) of Hong Kong's Wong Hing Tai Group, (Wang Dexiong) of Singapore's Yi Hua Development Company Limited, and (Iam Wai) of Hong Kong's (Wu Cheong) Group were present at the forum. The visiting businessmen frankly expressed their critical opinions on the tiring and complicated formalities involved in applying for permission to establish foreign enterprises or joint ventures and on the country's backward telecommunications facilities. Wang Dexiong said: "It takes us 5 days to hold a meeting with the Chinese members of our board of directors because they have to ask their leaders for instructions whenever they come across a problem. Can they really direct affairs?" Gu Mu smiled on hearing that. He said: "I believe that there are indeed such things." He reiterated that leaders at all levels are not allowed to meddle with the work of foreign enterprises and joint ventures.

At the forum, Gu Mu told Heilongjiang Province's relevant departments to jot down the opinions of the visiting businessmen and to send people to solve their problems.

#### TROOP REDUCTION, DEMOBILIZATION CONTINUES

OW121752 Beijing XINHUA in English 1621 GMT 12 Jan 87

[Text] Beijing, January 12 (XINHUA) -- China has trained and provided jobs for more than 1.2 million demobilized soldiers and made proper arrangements for 21,000 retired officers over the past year.

According to the Ministry of Civil Affairs, China has built more than 31,000 apartments for retired Army officers, and the number of retired officers given proper arrangements accounted for about half of those entitled to.

The country has set up more than 900 sanatoriums or service stations for them manned by 6,000 service personnel. In addition, the government has helped solve many problems relating to work arrangements for their spouses and children.

The ministry spokesman said that 250,000 demobs have taken up leading posts at rural grass-roots units, about 260,000 have been employed in rural factories, and nearly 110,000 are working as individual laborers in farming and other specialized fields of production.

Since 1979, the spokesman said, the country has trained more than two million soldiers to prepare them for civilian work.

The Chinese Government decided to cut the number of troops by one million earlier last year. So far, the number of soldiers has been reduced by 410,000 and more than 300,000 officers have quit from active service to bring the total reduction of armymen to over 700,000.

FISSION-FUSION REACTOR POSSIBLE IN 'NEAR FUTURE'

HK091150 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 0958 GMT 9 Jan 87

[Report: "Experts Are Certain That It Will Be Possible for China To Develop a Mixed Fission-Fusion Reactor in the Near Future"]

[Text] Hong Kong, 9 Jan (ZHONGGUO TONGXUN SHE) -- According to a report from Beijing, a group of experts and scholars participating in an academic symposium in Hefei to assess scientific achievements made by the Plasma Research Institute under the Academy of Sciences of China believe that it is possible for China to develop a mixed fission-fusion reactor [lie bian ju bian sun he dui 5933 6239 5112 6239 3236 0678 1018] in the near future. This is revealed in the latest issue of KEXUE BAO [SCIENCE JOURNAL] published today.

Controlled thermonuclear fusion is one of the important solutions to the energy problem. The experts participating in the above symposium hold that although China, with limited financial resources, cannot possibly build any large device to compete with developed countries in the near future, there is a pressing need for the country to make good use of the currently available resources to carry out a thorough study of high-temperature plasma with medium and small devices, to develop nuclear fusion technology, to keep technological reserves, and to promote international academic exchange. It will be a good idea to develop in the near future a mixed fission-fusion reactor which mainly serves as a device to produce fission fuel.

It is reported the HT-6M Tokamak, an essential device for use in scientific research, which was designed, developed, and assembled by the Plasma Research Institute under the Academy of Sciences of China on its own, passed the acceptance test in late 1986. This is a medium-sized device to be used in the study of the high-power microwave heating process of plasma and the nature and motion of plasma under the conditions of high power and high density.

The experts and scholars who took part in the acceptance test believed that this Tokamak, as a tool for comprehensive physics research, is a device of better quality as compared with other products of the same type with similar size developed abroad in the 1980's. The building and operation of this device will provide useful experience for the construction of other major scientific research projects in China.

DIRECTORS NOW ASSUME RESPONSIBILITY FOR FACTORIES

OW110902 Beijing XINHUA in English 0831 GMT 11 Jan 87

[Text] Beijing, January 11 (XINHUA) -- China's central authorities today promulgated three sets of new regulations to promote the system of factory directors assuming full responsibility for production and management.

A circular released today by the Chinese Communist Party Central Committee and the State Council describes the shift from the previous director responsibility system under the leadership of the party committee to the present system of making directors fully responsible for production and management as a "major reform of China's enterprise leadership."

The circular urges all party organizations in industrial businesses to enthusiastically support this reform and "help the directors (managers) better use their decisionmaking power."

Under the 40-article regulation on the responsibilities of the directors of state-owned industrial enterprises, the directors are duty-bound to protect state interests and property, and correctly handle the interests of the state, the enterprise and workers.

They should regularly report their work to party organizations and workers' congresses, and should accept their supervision.

According to the 31-article regulation on responsibilities of the party organizations in state-run industrial enterprises, the party committees should ensure and supervise the implementation of party and government policies, and do political and ideological work well.

Meanwhile, they should aid the directors in exercising decisionmaking power over operation and production, and display the role of trade union and Communist Youth League organizations in a concerted effort to help run the enterprises well.

The 20-article regulation on workers' congresses in state-owned industrial enterprises says that while instituting the director responsibility system, all enterprises must also set up the workers' congress system and other means of democratic management.

Meanwhile, the congresses should help the directors in their work and accept the party committees' ideological and political leadership.

#### PUBLIC BIDS FOR KEY CONSTRUCTION PROJECTS SOUGHT

OW101433 Beijing XINHUA in English 1043 GMT 10 Jan 87

[Text] Beijing, January 10 (XINHUA) -- A system of public bidding will be introduced this year in aspects of the process of setting up big and medium-sized construction projects including feasibility studies, design and purchase of equipment and materials, a Chinese Government official announced here today.

"This is a major step in the reform of the building industry." Vice-Minister of the State Planning Commission Gan Zhijian told a national conference on engineering design which opened today.

"The new move will focus on shortening the construction time, reducing costs, improving quality and increasing the returns on investment," Gan said.

"It will also help avoid waste and improve enterprise management" he added.

"Specific regulations on bidding are now being worked out by the government," the vice-minister said.

The system of public bidding was first instituted in construction and has been expanded gradually to engineering, designing and equipment manufacturing.

Previously, designing and construction contracts had to be allotted by building departments and project developers had no choice. Under the current system any competitive unit may bid on a project.

Gan said that designing units should cooperate with research institutes, factories and universities to develop new technology.

He also asked Chinese designers to make better use of computers, other advanced techniques and their foreign counterparts.

#### 17 NEW LOCAL AIRLINES TAKE PRESSURE OFF CAAC

OW051324 Beijing XINHUA in English 1300 GMT 5 Jan 87

[Text] Beijing, January 5 (XINHUA) -- The long dominance of China's aviation industry by the Civil Aviation Administration of China (CAAC) has been broken by the founding of 17 local airline companies.

According to a CAAC official, these companies, some of them run cooperatively with the administration, are equipped with more than 100 airplanes of different types, including Boeing 737's.

With a total staff of 1,000, the companies, based in Shanghai, Shenzhen, Wuhan, Hangzhou and some other Chinese cities, have opened their own air routes.

The official revealed that of these companies, the China United Air Transport Company is the largest. The company, which has formed a service network of its own by setting up branch offices in more than 10 major cities, is actually another national aviation enterprise after CAAC.

He said most of these companies are engaged in multi-purpose services, including aerial photography, aerial remote sensing and agricultural survey, as well as passenger and freight handling. One of them, the Shanghai Aviation Company, carried more than 20,000 passengers last year. "Their presence has greatly relieved the pressure on CAAC," the official said.

"CAAC will actively encourage and help local governments and departments to establish aviation companies and is willing to compete with them," he assured.

#### STATE BUREAUS ISSUE CIRCULAR ON USE OF FIGURES

OW110641 Beijing XINHUA Domestic Service in Chinese 0643 GMT 30 Dec 87

[Text] Beijing, 30 Dec (XILNHUA) -- The State Language Planning Committee, the State Publications Bureau, the State Administration of Standards, the State Bureau of Weights and Measures, the Bureau of Secretaries under the State Council General Department, the Information Bureau of the Propaganda Department under the CPC Central Committee, and the Publication Bureau of the Propaganda Department under the CPC Central Committee recently issued a joint circular to promulgate the "Regulation on the Use of Figures in Publications on a Trial Basis."

This regulation was worked out by the aforementioned seven departments in coordination with some journalism and publication units to standardize the use of either Chinese characters or Arabic figures in expressing numerals (such as time, length, weight, area, volume and other measurements) in publications. The general principle is: Arabic figures should be used whenever they can be used, and such use is considered appropriate. On special occasions, the use of either Chinese characters or Arabic figures can be flexible. However, such practices should be relatively standardized. In reprinting classical books and in publishing literary books and journals, traditional systems should still be used. The regulation explains in principle the several main circumstances where Arabic figures or Chinese characters should be used.

The joint circular issued by the seven departments pointed out: The ways to express numerals in publications are disorderly. Such disorder imposes many unnecessary burdens on editors, typesetters, and proofreaders. It is harmful for computer data input and for sorting and compiling indexes. To adopt a standardized way is conducive to effecting standardization for language planning. The circular called on various units in the fields of journalism and publication to adopt necessary measures to actively and effectively carry out this regulation.

YUWENJIANSHE [LANGUAGE], sponsored by the State Language Planning Committee, and CHUPANGONZUO [PUBLICATION WORK], sponsored by the State Publications Bureau, will simultaneously carry the text of this regulation in their respective issue No 1 of 1987. The Language Publications House will also publish a separate edition of the regulation.

#### RENMIN RIBAO ON NEW ETHNIC AUTONOMOUS COUNTIES

OW120954 Beijing XINHUA in English 0812 GMT 12 Jan 87

[Text] Beijing, January 12 (XINHUA) -- China designated eight more autonomous counties last year -- for the Manchu, Tung, Maonan, Kelao and Tuchia minority nationalities -- the "PEOPLE'S DAILY" reported today.

Located in the Guangxi Zhuang Autonomous Region, and Hebei, Hunan and Guizhou Provinces, they brought the total ethnic autonomous counties to 104.

In these counties, ethnic people account for at least 43.1 percent of the local population.

GUANGDONG'S LIN RUO ON ECONOMIC PROBLEMS

HK120850 Hong Kong TA KUNG PAO in Chinese 11 Jan 87 p 3

[Special Dispatch": "Lin Ruo Sums Up Work During Sixth 5-Year Plan"]

[Text] Shenzhen, 10 Jan -- At a work conference held by the Shenzhen City CPC Committee, Secretary Lin Ruo of the Guangdong Provincial CPC Committee spoke on three important problems concerning the province's work, namely, the problem concerning the province's communications and energy resources, second, that of its imbalanced economic development, and third, that of the deconcentration of its funds.

Lin Ruo said: In its review of the execution of its "Sixth 5-Year Plan, Guangdong has pointed out seven problems. Actually, only three of them are very important ones. The first is that although we have devoted great efforts to construction in the communications and energy resources areas, our work is still far from satisfactory. At present, there is great strain on the province's electric power supply. The growth rate of our national economy is 13.6 percent, whereas that of our electric power industry is only 8.2 percent. As a result, the province's electric power supply is short by 35 to 40 percent. The second problem is that the province's economic development is not balanced. During the "Sixth 5-Year Plan," the special economic zones and the Zhu Jiang Delta absorbed most of our attention and bank funds, with the result that other parts of the province developed rather slowly. By placing financial and other resources in the hands of the people and local units, we have deprived the provincial finance departments of much of their construction funds. Thus, we must sum up our experience. We should affirm our successes on the one hand and point out existing problems on the other.

GUANGXI ANNOUNCES POLICIES FOR FOREIGN INVESTORS

HK130047 Nanning Guangxi Regional Service in Mandarin 1030 GMT 9 Jan 87

[Excerpts] On the afternoon of 8 January, the regional people's government held a news briefing in which regional government Chairman Wei Chunshu announced preferential policies and measures to be adopted by the region to encourage investment by foreign businessmen.

The chairman said that since adopting the policy of opening up to the outside world, the region had developed 275 items using foreign funds up to 1986, and the total amount of the contracts reached \$670 million. The actual amount of foreign funds used by the region amounted to some \$140 million. As a result of using foreign funds, the region has solved the problem of insufficient construction funds; speeded up the development of some priority projects; brought in some advanced technology, equipment, and scientific management experiences; promoted technological advancement in enterprises; and increased its ability to expand exports and earn more foreign exchange. The use of foreign funds has played an important role in speeding up Guangxi's economic construction.

In order to create a good investment environment for foreign investors, to provide them with excellent service, to properly run the enterprises invested in by foreign businessmen, and to benefit both parties, the State Council has promulgated regulations on encouraging foreign businessmen to invest.

In accordance with the spirit of the relevant regulations of the state and in connection with Guangxi's reality, the regional people's government has formulated five preferential policies and measures on encouraging foreign businessmen to invest in Guangxi. They are as follows:

1. Except in the prestigious areas in Guilin City, all enterprises run by foreign investors in Guangxi whose products are for export or whose technology is advanced should be exempt from land use fees. Other enterprises invested in by foreign businessmen should pay only less than 1 yuan for 1 square meter of land annually. The enterprises run by foreign investors whose products are for export or whose technology is advanced need not pay the basic equipment installation fee. Other enterprises invested in by foreign businessmen need pay only one sum for basic equipment installation according to the scale charge on similar enterprises in the country.
2. During the period when the enterprises whose products are for export are exempt from the enterprise income tax stipulated by the state, the enterprises should also be exempt from local income tax. [passage omitted] If the enterprises invested in by foreign businessmen in Guangxi transfer their scientific research findings to other provinces and areas, they should be exempt from local income tax. The enterprises invested by foreign businessmen in Guangxi in basic installations such as exploiting energy, communications, and port construction should be exempt from local income tax. [passage omitted] The enterprises invested by foreign businessmen in Guangxi in such items as agriculture, forestry, and animal husbandry or in the region's 48 mountainous counties should be exempt from local income tax. After the expiration of their tax exempt period, if the enterprises invested in by foreign businessmen whose total investment amount is over \$3 million earn less than 1 million yuan of profit in the following year, they may be exempt from the local income tax of the year if their applications are approved.
3. The supply and charges of water, electricity, transportation, and communications installations to the enterprises invested in by foreign businessmen should be the same as those to domestic enterprises. [passage omitted]
4. Without the approval of the state and the regional people's government, no units are allowed to impose new charge items on the enterprises invested in by foreign businessmen or to increase the scale charges.
5. The people's governments at all levels and the responsible departments concerned must strengthen their coordination and raise efficiency. They must give replies to and resolve the problems of the enterprises invested in by foreign businessmen in 2 weeks after the enterprises report their problems. If they must consult with other units concerned and cannot reply in 2 weeks, they must also inform the units that report their problems. [passage omitted]

Chen Ren, vice chairman of the regional people's government, presided over the news briefing. Cheng Kejie and Wang Rongzhen, vice chairmen of the regional people's government; and (Wei Binghuang), secretary general of the regional people's government, attended the news briefing. [passage omitted]

HENAN PARTY LEADER DISCUSSES RURAL WORK TASKS

HK130245 Zhengzhou Henan Provincial Service in Mandarin 2300 GMT 12 Jan 87

[Excerpts] From 5 to 11 January, the provincial party committee and government convened a rural work conference in Zhengzhou, which proposed that the general guiding idea for rural work this year is to deepen the reforms, relax the policies, rely on science, increase input, strengthen management, improve grain production, and vigorously develop the commodity economy.

The meeting first listened to a speech by Zhang Zhigang, member of the Standing Committee of the provincial party committee and vice governor, conveying the spirit of the speech of Vice Premier Tian Jiyun during his recent inspection of work in Henan. Vice Governor Liu Yujie delivered a speech entitled: Persevere in Reforms, Rely on the Policies and on Science, and Stimulate All-Round Development of Henan's Rural Economy. The meeting seriously studied and implemented the spirit of the central rural work conference and summed up last year's rural work. [passage omitted] The provincial party committee and government have decided to provide some support for agriculture in the aspects of taxation and capital, beginning this year, to create favorable conditions for agricultural development.

At the concluding session on 11 January, presided over by Governor He Zhukang, leading comrades of the provincial party committee and government presented awards to 43 outstanding units that did well in rural water conservancy work in 1986. Provincial party committee Secretary Yang Xizong then delivered a summation. He said: We must view the foundation position of grain production from an overall viewpoint. Henan is an old grain area. If our grain production is unsteady or declines, this will have an adverse impact on the political and economic situation of the province and indeed of the whole country. From the overall viewpoint of developing commodity economy, we must continue to go on developing grain production, and this depends to a certain extent on stabilizing the sown area. We must maintain a rational production structure. At the same time, we must speed up the popularization of science and technology and increase material input through various channels and at various levels.

Comrade Yang Xizong pointed out that the province should vigorously develop township and town enterprises in the course of reforms and consolidation. He said: As the reforms deepen, these enterprises become a pillar not only of rural economy but also of the entire economy of the province. We must therefore assign a position of equal importance to developing township and town enterprises and developing agricultural production. Prefectures, counties, and some of the cities should assign first place to developing urban and rural collective economy, including courtyard economy.

On family planning work, Comrade Yang Xizong stressed that the Seventh 5-Year Plan is another peak birth period in Henan. The birth rate has already shown a tendency to rise from its decline. The situation is rather serious. The party committees and government at all levels must therefore have a clear understanding regarding this. The principal leading comrades must personally grasp the work and also mobilize the relevant sectors of society to cooperate closely and work in concert to grasp it. We should rely on policies and on education. The work must be done really well. Comrade Yang Xizong said in his summation: In recent years there has been some revival of feudal superstitions and gambling in some places.

The practice of holding extravagant weddings and funerals is more or less universal. We must take active steps to curb this, and strive to produce effective results this year, to bring about some improvement in the level of morality of the entire rural society. At present we must teach the peasants, especially young peasants, to spontaneously boycott bourgeois liberalization. We must mobilize those parents whose sons and daughters are at university to take advantage of the winter vacation to work on the students. We must also guide the peasants to persevere in reform and opening up, eliminate the small peasant mentality, and develop the commodity economy. [passage omitted]

#### HENAN STRIVES TO DEVELOP COAL INDUSTRY

HK110718 Zhengzhou Henan Provincial Service in Mandarin 2300 GMT 9 Jan 87

[Text] In a recent interview with reporters, the provincial coal department director, (Liu Shuxiang), pointed out: After making an all-round analysis of information, we may calculate that in world energy consumption, the proportion of coal will increase and the proportion of crude oil and natural gas will decrease. In our country, coal comprises 70 percent of our energy consumption and such a proportion will not change for a long time to come. Therefore, prospects for our province's coal industry are very bright.

Over the past few years, our province's coal industry has developed rapidly and its output ranks second in the country. Last year, coal in our province was once out of stock, due mainly to transport conditions. At a national meeting on coal purchase which ended not long ago, orders placed for our province's coal were encouraging. Provinces in east and central-south China have increasing demands on our province's coal. It is estimated that strains on coal supply will appear again in the next couple of years. Therefore, our province should take the opportunity to expand coal production.

(Liu Shuxiang) said: The difficult problem of shipping coal can hardly be solved thoroughly during the Seventh 5-Year Plan. Therefore, studying the issue of converting coal on the spot should be a basic principle in our work. At present, short supply of power in our province hinders industrial and agricultural development. We encourage development of the coal and power industries by means of issuing stocks and bonds. We may raise funds to build the (Chunkou) power station and develop the building materials industry generated by coal. He added: In the current world trade of coal, a situation favorable to our country has appeared. Our country is close to Japan and Southeast Asian countries, which are deficient in coal resources. The potential of our coal exports is very great and our province will build a number of export-oriented coal bases. It is estimated that the volume of our province's coal exports in 1987 will double that of 1986. From now on, we should take earning foreign exchange through exports as an important principle in our development of the coal industry and increase coal export year by year.

#### HUBEI'S GUAN GUANGFU AT AGRICULTURAL CONFERENCE

HK120203 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 8 Jan 87

[Excerpts] The provincial conference on agricultural reclamation work, which had lasted 6 days, concluded at the Wuchang Hongshan Guesthouse this afternoon.

Provincial CPC Committee Secretary Guan Guangfu, provincial CPC Committee Deputy Secretary Qian Yunlu, Vice Governors Wang Hanzhang and Han Nanpeng, and Central Advisory Commission member Xia Shihou attended the conference and delivered important speeches.

The conference held: Having done pioneering work for over 30 years since the founding of our country, our province has built 49 fairly large state-run farms, which have played an important part in supplying agricultural products to the state, supplying nonstaple food to cities, providing foreign trade departments with export products, and popularizing and applying advanced science and technology. They have made very great contributions. The main signs are:

1. The speed of the farms' economic development is higher than the whole province's economic development. The proportion of their agricultural output value in the province's gross agricultural output value has gradually increased year by year. The farms' gross industrial and agricultural output value during the Sixth 5-Year Plan increased by an average 16.2 percent each year and their average increase was 3.1 percent more than the average increase in the province's gross industrial and agricultural output value. The proportion of the farms' gross industrial and agricultural output value in the province's gross agricultural output value [as heard] increased from 5 percent in 1980 to 6.3 percent in 1986.
2. The farms' labor productivity and the commodity rate are higher than that of the rural areas of throughout the whole province. The average gross social output value of each farm laborer in 1985 was 68.7 percent higher than that of the rural areas, and the per capita gross social output value was 96.2 percent higher. The comprehensive commodity rate of the farms' agricultural products reached 68.5 percent.
3. The amount of exported commodities has gradually increased. The farms have become our province's important bases for agricultural and sideline product exports. The total amount of agricultural and sideline products exported by the farms during the Sixth 5-Year Plan was 180 million yuan. The farms' live pigs exports accounted for one-third of the whole province's exported live pigs.
4. The farms' level of experimentation, application, and popularization of advanced technology is higher than that of the rural areas. [passage omitted]
5. Since 1979, state-run farms have taken the lead in the comprehensive operation of agriculture, industry, and commerce. They have made a big step in readjusting the production structure. In 1985, the industrial output value of the farms accounted for 52.4 percent of their gross industrial and agricultural output value, and their diversification output value accounted for 68.1 percent of their agricultural output value.

In studying the farms' work at the next step, the conference stressed: The farms have set an example to the rural areas. The general aim of their exemplary role is to achieve commercialization, specialization, and modernization. Through developing lateral ties and in other ways, the farms must integrate with large urban industrial enterprises and gradually develop industry in rural areas. The farms must rationally organize their own science and technology forces and vigorously establish extensive contacts with scientific research units, universities, and colleges. [passage omitted] We must make the farms into service centers for popularizing advanced technology, fine varieties, processing products, transport, and sales in rural areas.

SICHUAN MEETING ON COMPREHENSIVE RURAL REFORMS

HK100315 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 9 Jan 87

[Excerpts] From 1 to 8 January, the Sichuan Provincial CPC Committee convened a conference of pilot project counties in comprehensive rural structural reform. [passage omitted] The meeting proposed that the tasks of the county-level pilot projects this year consist of one core and five focal points: Take invigoration of the enterprises as the core and get a good grasp of separating party and government powers, promoting capital flow, boosting commodity circulation, encouraging the mobility of talented people, and building the grass-roots rural organizations.

The meeting called on the leaders at all levels and the rural cadres to strengthen their consciousness and confidence in reform and boldly clear the way for forging ahead. They must create favorable expansion of county-level decisionmaking powers and strengthen the functions of the pilot project counties in taking care of their overall economic situation. The pilot project counties should set up their own target responsibility system and pay attention to grasping and coordinating the building of the two civilizations.

The meeting stressed: We must persevere in reform in opening up and also uphold the four basic principles. Our reforms can only be carried out under party leadership. We must resolutely oppose bourgeois liberalization and all types of erroneous ideas, to ensure that the reforms will advance in the correct direction.

Yang Rudai, secretary of the provincial party committee, and Xie Shijie, member of the Standing Committee of the provincial party committee and vice governor, spoke at the meeting.

XIZANG PLA RALLY URGES OPPOSING LIBERALIZATION

HK130205 Lhasa Xizang Regional Service in Mandarin 0100 GMT 13 Jan 87

[Text] Xizang Military District convened a gathering of party members and cadres of organs and units stationed in Lhasa on 9 January, to call on the party members and cadres of the units to uphold the four basic principles and take a firm and clear-cut stand in opposing bourgeois liberalization.

Zhang Shaosong, political commissar of the Military District, addressed the gathering. He stressed that the cadres and party members of the PLA units must unite as one with the people of all nationalities of the whole country in upholding party leadership, Marxism-Leninism-Mao Zedong Thought, the people's democratic dictatorship, and the socialist road. He also put forward the following demands:

1. Seriously study the relevant central documents and the RENMIN RIBAO 1 January editorial and relevant articles, to bring everyone's thinking into line with the central principles and policies.
2. Have a clear understanding on the present excellent situation, and be models in preserving stability and unity. Every party member must take a firm and clear-cut stand in opposing bourgeois liberalization.

3. Uphold the four basic principles and do a good job in reform and opening up. We will certainly not allow bourgeois liberalization to poison our younger generation and sabotage the excellent situation of stability and unity.

4. PLA cadres must write to their sons and daughters studying at universities, telling them to work hard to acquire scientific and cultural knowledge and cherish the political situation of stability and unity.

5. Do a good job in promptly conveying the spirit of documents, to unify the thinking of the cadres, fighters, staff and workers, and their dependents.

Also present at the gathering were Jiang Hongquan, commander of the Military District; Deputy Commander Zhang Fengjiao; Liy Yongkang, full-time deputy secretary of the Military District's Discipline Inspection Commission; and nearly 1,000 cadres and party members from PLA organs and units in Lhasa.

#### YUNNAN SCHOLARS ON OPPOSING BOURGEOIS LIBERALISM

HK121041 Kunming Yunnan Provincial Service in Mandarin 1100 GMT 9 Jan 87

[Excerpt] At the invitation of some press units in the province and Kunming City, some noted scholars in the province recently expressed their views on upholding the four basic principles and opposing bourgeois liberalization. They also raised sincere demands on students.

(Ma Zhao), a professor of the Yunnan Nationality Institute, said that different methods and means for achieving democracy have different contents and natures under different situations and historical conditions. In old China, democracy had to be achieved by such means as antagonistic mass struggles. Today, after the democratic reform and socialist transformation, due to the changes in historical conditions, we must achieve a high degree of democracy in a gentle and mild way and through normal democratic channels and must promote the process of democratization in an environment of stability and unity.

(Li Bingquan), a professor at the Kunming Medical College, said: When we talk about building a high degree of democracy today, we must resolutely and unswervingly uphold the four basic principles. To those youths who eagerly long for a high degree of democracy, having good intentions and emotional feelings alone is not enough. Provided that our young people cherish their youth, study hard to master modern science and technology, take an active part in various social practices, and become familiar with the practical course of reform and opening up, they will learn by practice how to do their little bit to help build socialist democracy in a down-to-earth manner [passage omitted]

BEIJING STUDENTS PROTEST PURGE OF FANG LIZHI

OW131025 Tokyo KYODO in English 1020 GMT 13 Jan 87

[Text] Beijing, Jan. 13 KYODO -- A handful of students of the prestigious Beijing University staged a rally Monday night in protest against the purging of Fang Lizhi, former vice president of the University of Science and Technology in Hefei Province, from his official posts, informed sources here said Tuesday. Gathered at the front gate of the university, about 20 students expressed their dissatisfaction over the party decision by singing the "Internationale," the sources said.

According to the sources, although most Beijing University students are displeased with a series of measures taken by the authorities to clamp down on student demonstrations for democracy, they don't seem to be prepared to stage further demonstrations for the time being for fear of arrest by police. Fang Lizhi and two other academics have been blamed for their role in advocating what the authorities call bourgeois liberalization.

BEIJING PEOPLE'S CONGRESS STANDING COMMITTEE MEETS

SK130709 Beijing BEIJING RIBAO in Chinese 27 Dec 86 p 1

[Excerpts] The 3-day 33d Standing Committee meeting of the 8th municipal People's Congress concluded on 26 December after completing the various items on its agenda.

The meeting discussed and approved the "Report on Elections of Deputies to the Next District, County, Township, and Town People's Congress Standing Committee; the revised "Beijing Municipal Detailed Regulations for Elections of Deputies to District, County, Township, and Town People's Congresses;" and the "Report on Revising the Beijing Municipal Detailed Regulations for Elections of Deputies to District, County, Township and Town People's Congresses" given by Wu Yiping, deputy chairman of the Political and Legal Committee of the municipal People's Congress Standing Committee. The meeting also adopted the "Decision on Several Issues Concerning the Elections of Deputies to the Next District, County, Township, and Town People's Congresses."

Members to the meeting discussed the "Beijing Municipal Provisional Regulations on Demonstrations (draft)" submitted by the municipal government, and heard an explanation on the provisional regulations given by Su Zhongxiang, director of the municipal Public Security Bureau, on behalf of the municipal government. Su Zhongxiang said: The Constitution of our country stipulates that citizens have the freedom of demonstrations. It is necessary to formulate regulations in the form of a local law governing how the state should guarantee citizens' right of demonstrations held according to law, and how citizens should correctly safeguard and exercise the right, so that citizens will have something to follow and to be taken as a basis. This is a requirement in improving the socialist legality and developing socialist democracy, and also a requirement in maintaining the political situation of stability and unity in the capital, and ensuring the normal progress of our municipality's reform and construction. He said: The "provisional regulations" clearly stipulate that governments at all levels should protect the demonstrations held according to law, that necessary measures should be adopted to dissuade and prevent people from holding demonstrations held in violation of regulations, and that those who violate law and commit crimes should have their legal liabilities pursued. These three fields are a unit. [paragraph continues]

These regulations are in conformity with the desire of the people of the capital and even the whole country. [passage omitted]

The Standing Committee meeting also heard and discussed the municipal government's "Report on Beijing Municipality's Revenues and Expenditures From January to November 1986, and on Adjustment of 1986 Revenue and Expenditure Budget." It also decided on court and procuratorate personnel changes.

Chairman Zhao Pengfei and Vice Chairman Ma Yaoji of the municipal People's Congress Standing Committee, presided over the meeting. Attending were Vice Chairman Fan Yan, Hou Jingru, Wen Jiasi, Pu Jiexiu, Chen Mingshao, Zhang Dazhong, Li Guang, Xing Jun and Xia Qinlin. Attending as nonvoting delegates were Vice Mayor Feng Mingwei, Liu Yunfeng, president of the municipal Higher People's Procuratorate; and responsible comrades of district and county People's Congress Standing Committees.

#### BEIJING'S LI XIMING ATTENDS NEW YEAR RECEPTION

SK120837 Beijing BEIJING RIBAO in Chinese 30 Dec 86 p 1

[Excerpts] On the afternoon of 29 December, the municipal party committee and government held a New Year's reception for the full-time advisers to the municipal government and young and middle-aged specialists. They also held separate forums for them to discuss the achievements of the past year, and offer suggestions for work. Li Ximing and other leading persons happily gathered with the participants. On behalf of the municipal party committee and government, Chen Xitong extended New Year's greetings to the participants and stressed the need to follow the line of the 3d Plenary Session of the 11th CPC Central Committee to consolidate and develop the political situation of stability and unity under party leadership, and make the capital more beautiful. [passage omitted]

In his speech, Mayor Chen Xitong thanked the advisers and specialists for their support and assistance to Beijing's work over the past year. He said: We should review our work at the end of a year. The people throughout the municipality have completed plenty of work in 1986. Reforms have been deepened in the course of exploration; construction of the capital has become more prosperous daily; and the people's living standards have improved continuously. Our progress in every field should be attributed to the kind concern and leadership of the party Central Committee and the State Council; the support and assistance of various central departments and other provinces and municipalities; and the concerted efforts of the workers, peasants, and intellectuals throughout the municipality. Another most important guarantee has been the political situation of stability and unity in the capital, which has enabled us to carry out reforms and construction with ease and courage. We should value and strive to safeguard this situation. The small number of people with ulterior motives who attempted to undermine stability and unity and hinder our reforms and construction will not win the support of the people, and will certainly be opposed by the masses of workers, peasants, and intellectuals, and will be doomed to failure. With regard to some young students, we should do work to lead them to follow the party and the line of the 3d Plenary Session of the 11th CPC Central Committee. In the new year of 1987, a great deal of work is waiting to be carried out by us. We are fully convinced that construction of the capital will be ever successful and greater achievements will be scored.

BEIJING SECRETARY RECEIVES ADVANCED PERSONS

SK120845 Beijing BEIJING RIBAO in Chinese 26 Dec 86 p 1

[Excerpts] "You deserve to be called Beijing people and you are examples to be emulated by all the people." Yesterday afternoon, Li Ximing, secretary of the Beijing municipal party committee, met with Gao Yuhua, Zhang Jianhua, and Zhang Maosheng, as well as other advanced persons and made the above statement to praise them.

Gao Yuhua, a salesman of the Xinxin Woolen Garment Plant in Xuanwu District, and her mother Han Xiuyun, who contributed to saving a peasant child in Hebei, said: We have just done an ordinary thing which should be done by any person in Beijing. Li Ximing said: You did a good job and I am deeply touched by your deed. You have won honor for the Beijing people and they will share your honor. [passage omitted]

Comrade Li Ximing said: The building of the socialist spiritual civilization is a long-term task. At present, we still have much to do in this field. However, the most important is to work in a down-to-earth manner and to encourage each and every person to do specific and practical work. You comrades have reflected a new type of socialist human relationship, mental outlook, and moral level of the capital with your actual deeds. You have done a good job in disseminating the socialist spiritual civilization. During the meeting, Comrade Li Ximing presented large, fine picture albums of Beijing, the capital of China, to all advanced persons present. He also encouraged them to make continued efforts, to influence the comrades and the Beijing citizens around them with their concrete deeds, and to promote the building of the spiritual civilization in the capital.

NEI MONGGOL SECRETARY ON IMPROVING PARTY STYLE

SK121215 Hohhot Nei Monggol Regional Service in Mandarin 2300 GMT 11 Jan 87

[Text] In his speech on strengthening the improvement of party style delivered at a regional meeting of responsible persons of party committees and leading party groups of organs directly under the jurisdiction of the region that was held on 10 January, Zhang Shuguang, secretary of the regional party committee, pointed out that from now on, we must start by upgrading the quality of party members and cadres to strengthen the improvement of party style and to attain the goal of upgrading the political understanding of the entire party. In his speech, he discussed 10 issues.

First, strengthen study to improve the quality of leading cadres. Strengthening study is a task of urgent and long-term importance for leading cadres. Without a certain level of legal and [words indist] knowledge, political understanding, and management ability, leading cadres will neither be competent in their work nor meet the demands of the new situation of conducting reform, opening to the outside world, and developing a commodity economy. Strengthening study is not a question of individual leading cadres but is a requirement of the four modernizations and a demand of their work. Leading cadres should regard study as a prerequisite and condition for achieving their professional work; and have a sense of urgency, a sense of being in a crisis, and the spirit of having high responsibility for their professional work.

At present, leading cadres at all levels should pay special attention to the study of Marxist theory, and link the study of basic Marxist theory with the party's important documents and the party's principles and policies set forth since the 3d Plenary Session of the 11th CPC Central Committee. From 1987, leading cadres at or above the banner and county level should concentratedly study three documents and make efforts to master three skills. The first is to study the CPC Central Committee's resolution to master the skill of grasping the two civilizations at the same time. The second is to study the basic knowledge of politics and economics in an effort to master the skill of leading the development of a socialist commodity economy. The third is to study the party Constitution and the guiding principles for inner-party political life in an effort to master the skill of playing an exemplary role in straightening out party style and strengthening party building. We should link theory with practice to upgrade our awareness of implementing the party's line, principles, and policies and our awareness of conducting reform, blazing new trails, and doing pioneering work.

Second, restore and carry forward the party's three great work styles, including the work style of linking theory with practice, keeping close contacts with the masses, and conducting self-criticism. These three great work styles, which were cultivated by Chairman Mao himself and which have been abided by our party for a long period of time, are a precious spiritual essence of our party. We all deeply regretted that these three work styles were seriously damaged during the 10 years of turmoil caused by the Great Cultural Revolution. It has been more than 10 years since the Great Cultural Revolution ended with a sign in which the gang of four was smashed. However, the situation in the restoration of the three great work styles is not satisfactory. In particular, old comrades should conscientiously think of this question. They should play a special role in restoring and carrying forward the party's three great work styles. In order to restore and carry forward these work styles, we should continue eliminating habits and customs left over by the Great Cultural Revolution and should maintain sharp vigilance against ill practices within the party left over by the Great Cultural Revolution.

Third, leading cadres should play an exemplary role in persisting in the guiding principles for inner-party political life. At the regional meeting of banner and county party committee secretaries, the regional party committee clearly pointed out that leading bodies should guide the work of strengthening party building and the improvement of party style and that leading cadres should play an exemplary role in the work. All party-member cadres, principal party and government leading cadres in particular, should always remember that they are Communist Party members, should judge themselves in line with the requirements of Communist Party members, should keep themselves within the bounds of party discipline, and should place themselves in a position under the supervision of the masses and under the leadership of party organizations and the collective leadership. If they fail to do so, they will run wild in following their inclinations and will go against party discipline and regulations, administrative discipline, and state law.

In his speech, he specifically called for maintaining high vigilance against three practices. First, we must not abuse our power for selfish ends. Second, we must not be audacious to the extreme. Third, we must not carry out activities of disturbing unity.

The party committee at each level should hold a meeting on organizational life every season, at least every 6 months, to make comparisons and examinations of their statements and actions in line with the 12 guiding principles for inner-party political life and the principle of political stability and unity.

Fourth, upgrade the ideological, political, and principled quality of inner-party political life. Party-member leading cadres should first [words indistinct]. All party members should unify their thinking of building socialism with Chinese characteristics. A task of primary importance at present is to deeply understand and enthusiastically support the party's policies and principles for conducting reform, opening to the outside world, and enlivening the domestic economy; to eliminate the old ideas unsuitable to the development of socialist commodity economy; and to foster new ideas of supporting and promoting reform. A task of secondary importance is to enthusiastically conduct criticism and self-criticism by persisting in the party's principles and safeguarding the interests of the party. A task of third importance is to fully carry forward democracy within the party. A task of fourth importance is to strictly conduct organizational activities. Each and every party member should engage in the party's organizational activities. Leading cadres at all levels should enthusiastically engage in the activities of the party organizations to which they belong and the activities of the grass-roots party organizations.

Fifth, persistently adhere to the line of appointing cadres on their merits. We should unite with the people from all corners of the land and refrain from establishing small groups. We should attach importance to both political integrity and abilities. Among the four requirements on cadres, the basic one is to be revolutionary. We should become better educated and more professionally competent, and stress being younger on the principle of being revolutionary. We should also emphasize practical work and performance. In promoting or using cadres, we should not establish small factions by discriminating against those not affiliated with certain persons, ourselves, or certain areas. We should have the courage to use fine comrades with political integrity and abilities who dare to speak their minds and offer new ideas. In dealing with the issues on cadres, we should not act impetuously. Objective standards should be upheld when promoting and using cadres. It is a great waste to stifle a cadre who has both political integrity and abilities. It is also a great waste to our work if we use a cadre improperly, because it will probably dampen the enthusiasm of many people. Those with whom the masses are much dissatisfied should be readjusted even though they have been put in leading posts.

Sixth, lay particular stress on stability and unity. All party members and cadres should contribute to consolidating and developing the excellent situation of stability and unity. Frank and sincere criticism and education should be conducted to counter any speeches and deeds detrimental to stability and unity. Our cadres at all levels should value very much the excellent situation of stability and unity. The unity we are emphasizing is the unity based on principles, and strengthening unity means to refrain from despicable activities behind people's backs and little tricks. We should stress unity every day so that people will pay attention to it and bear the overall situation in mind. We should say or do nothing detrimental to unity, and should educate, persuade and explain the principles of righteousness to those who say or do anything harmful to unity. When stressing unity, we should focus on strengthening the unity of leading cadres and, in particular, leading cores at various levels.

Seventh, intensify the education of party members, and improve their competence. At present, the education should focus on the basic knowledge on the party, the current situation and policies, theories, and scientific and general knowledge. In particular, the education on the basic knowledge of the party should be started from the very beginning. This year, we should first grasp the education of the cadres of grass-roots party organizations throughout the region, and hold training classes for the party's grass-roots cadres.

Eighth, improve party schools and raise their educational levels. Party schools are bastions for training party cadres. Through regular training, we should enable the party's cadres at various levels to master systematically Marxist philosophy, political economics, and scientific socialism, the party history, the theory on party building, the theory on nationalities, and manageria' science. We should not run party schools in the same way as we run ordinary universities, nor should we regard regular party school education as an education in official documents and correspondence.

Ninth, [passage indistinct]. We should particularly have the courage to deal with the problems of leading cadres. We should dare to touch the backside of tigers, and work out plans to conscientiously investigate and handle the problems of the leading bodies at and above the banner and county party committee level, and their leading cadres. All existing problems should be thoroughly investigated before the 13th party congress next year. We should exert great efforts to firmly deal with major cases of various categories, never sparing the feelings of those involved or being softhearted toward them, and achieve a fundamental turn for the better in party style through this. Meanwhile, we should pay attention to using these living examples to educate the masses of party-member cadres in party spirit.

Tenth, improve party committees themselves. Party committees, discipline inspection commissions, and the organization departments, propaganda departments, and general offices of party committees should serve as exemplars in carrying out the guiding principles for inner-party political life, take the initiative in observing party rules and regulations, and exercise collective leadership in line with the party system of democratic centralism. We should raise our professional ethical standards. Party and state organ cadres should earnestly practice what they advocate, establish good professional ethics, and make contributions to the improvement of socialist morality and practice. The professional ethics of the cadre of our party and state organs are to be fair and honest, to be faithful and active, to serve the people wholeheartedly, and to oppose bureaucracy, deception and power abuse for selfish gains. Departments of party committees should formulate their own professional ethical standards in line with work characteristics, and conscientiously carry them out.

#### NEI MONGGOL S&T ASSOCIATION HOLDS SECOND CONGRESS

SK090301 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 8 Jan 87

[Text] The second congress of the Nei Monggol Regional Scientific and Technological Association, which the regional scientific and technological workers of various nationalities have longed for, was ceremoniously opened in Hohhot this morning.

More than 400 delegates from all fronts, trades, and professions, including specialists and scholars of all branches of learning; advanced workers on the forefront of production, scientific research, and education; and management personnel of the Scientific and Technological Association who have been enthusiastic in serving the scientific and technological workers, gathered happily under the same roof to jointly discuss how to enable the scientific and technological workers to contribute to the region's economic construction, social development, and national prosperity.

Leading comrades of the regional party, government and Army organs, and the regional CPPCC Committee, including Zhang Shuguang, Bu He, Qian Fenyong, Batubagen, Tian Congming, Wang Duo, Cai Ying, and Xu Shengrong, attended the congress to extend congratulations.

Chen Shengwu, secretary of the Secretariat of the China Scientific and Technological Association, and (Wang Wenda), former secretary of the Secretariat of the China Scientific and Technological Association, also made a special trip from Beijing to attend the congress and extend congratulations.

The main items on the agenda of this congress are to study and implement the guidelines of the 6th Plenary Session of the 12th CPC Central Committee, the regional meeting of secretaries of banner and county party committees, and the Third National Congress of the China Scientific and Technological Association; to examine and discuss a work report of the first committee of the Nei Monggol Regional Scientific and Technological Association; to revise regulations of the Nei Monggol Regional Scientific and Technological Association; and to elect the new committee of the regional Scientific and Technological Association.

The congress was presided over by Xu Lingren, Standing Committee member of the regional party committee and chairman of the regional Scientific and Technological Association. Comrade Tian Congming and Ma Zhenduo gave speeches. They extended warm congratulations to the congress on behalf of the regional party committee and government.

Comrade Cheng Shengwu and (Wang Wenda) also gave warmhearted speeches. Comrades from the regional Trade Union Council, the regional CYL Committee, the regional Women's Federation, the Nei Monggol Military District, and the Federation of Industry and Commerce, as well as delegates from the fraternal provinces, cities, and autonomous regions, also gave congratulatory speeches.

Also attending today's congress were leading comrades of the regional party and government organs and the regional CPPCC Committee, including Zhou Rongchang, Wen Jing, Lin Weiran, Hao Xiushan, Cao Luomeng, Liu Zuohui, Wu Ligeng, Chen Bingyu, and Baoyanbatu. Ting Mao, member of the Central Advisory Commission, was also invited to the congress. Responsible comrades of the Scientific and Technological Associations of Ningxia, Gansu, Shanxi, Qinghai, and Heilongjiang, as well as other provinces and regions were also invited to the congress.

The Scientific and Technological Associations of such provinces, cities, and autonomous regions as Beijing, Tianjing, Hebei, Shaanxi, Xizang, Liaoning, Shansi, Xinjiang, and Guangxi sent congratulatory letters and telegrams to the congress.

#### Tian Congming Urges Stability

SK100150 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 8 Jan 87

[Text] In his speech to the second congress of the regional Scientific and Technological Association, Comrade Tian Congming pointed out: We should firmly adhere to the general orientation of stability and unity and of achieving affluence through diligent labor at any time and under any circumstances. Deviating from this orientation, we will divorce ourselves from the trend of historical development and the common aspiration of the people, and will get nowhere.

Comrade Tian Congming said: As you comrades know, in Shanghai and other areas a small number of college students' going to the streets to parade, and putting up big-character posters since last December have drawn concern from various quarters, and have been opposed by everyone. The fundamental reason is that their acts violated the popular desire for stability, unity, and affluence through diligent labor.

Comrade Tian Congming stressed: First, in our great practice to build socialism with Chinese characteristics, we should persistently uphold two things. One is the four cardinal principles, and the other is reform and opening to the outside world. Also, upholding the former serves as a fundamental guarantee for the smooth progress of the latter. As has been proven in practice, we must never be vague on this matter. Second, when carrying out reforms, including the economic, scientific and technological, educational, and political structural reforms, we should clarify two things. One is that all these reforms represent the self-improvement of the socialist system, and never mean to change the socialist system into another system. The other is that all reforms should be conducted in an organized and step-by-step manner under the leadership of the CPC. All speeches and acts of bourgeois liberalism that go against these two principles should be resolutely opposed. Third, in our various fields of current work, including the issue on party style, there are indeed some areas that we are not satisfied with or have become seriously alienated from the masses. Party organizations at various levels, from the central level downward, are continuously adopting measures to solve this. There is also the problem that work is not carried out thoroughly or correctly. When we have differing opinions, we can air them at certain meetings in line with organizational principles, or write letters to higher authorities to express them. Party organizations at various levels have always welcomed this, and have accepted many good opinions. If, on the contrary, we apply the method of the so-called great democracy used during the Cultural Revolution, we will cause a great deal of damage without a single benefit. This has been proven by practice. Many of you comrades present today have experienced the Cultural Revolution. At that time, we were in the position of the stinking ninth category, and endured many unforgettable sufferings. We should learn from the profound lessons, and never repeat them. Therefore, we should cherish the current situation of political stability and unity as we cherish our eyes, and make a success of our scientific and technological work in unison without losing any time in such a good situation of stability and unity.

## Tian on S&amp;T Goals

SK100114 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 8 Jan 87

[Text] In a speech given to the second congress of the regional Scientific and Technological Association, Tian Congming, deputy secretary of the regional party committee, said: It is necessary to work in unity, to grasp the major points, and to further create a new situation in the region's scientific and technological work. He said: This congress is a grand gathering of the regional scientific and technological circles and a mobilization rally to organize the region's scientific and technological forces to attain the major strategic goal of planting trees and grass to boost animal husbandry. It will certainly exert a profound influence on sparking the enthusiasm and creativity of the region's broad masses of scientific and technological workers, invigorating the region's scientific, technological, economic and cultural undertakings, developing the social productive forces, and promoting social progress.

Comrade Tian Congming said: It has been 27 years since the convocation of the first congress of the Nei Monggol Regional Scientific and Technological Association. During this period, the regional Scientific and Technological Association traversed many tortuous paths. Since the 3d Plenary Session of the 11th CPC Central Committee, and along with the shift of the party's major points of work to economic construction and the deep development of the work of bringing order out of chaos and the all-round reform, the regional Scientific and Technological Associations at all levels and most of the societies, associations, and research societies have done much, scored gratifying achievements, and played an active part in contributing to the region's building of the two civilizations. They have conducted reform and created many new things in some fields.

Comrade Tian Congming pointed out in his speech: Planting trees and grass to boost animal husbandry is the region's main work direction of further implementing the economic construction principle of making forestry and animal husbandry the major undertakings while diversifying the economy as well as the regions' major point of economic work. The tasks facing various localities and departments throughout the region are to proceed from the actual situation of each specific locality and unit, organize forces to implement the principle, and grasp the work effectively.

He touched on 10 opinions on the region's current scientific and technological work:

1. The year 1987 is the first year to experiment with the plan of planting grass and trees to boost animal husbandry and to obtain advanced experiences. In order to make a good start, the region will mainly adopt three strategic measures: First, in line with the guidelines of the regional meeting of secretaries of the banner and county party committees and this year's regional economic plan, we must rationally arrange for manpower, financial and material resources, mass efforts, and the energies of leaders to ensure a strategic breakthrough in the major work of planting grass and trees to boost animal husbandry. Second, we should consider scientific and technological ranks as the vanguards, while organizing scientific and technological forces to launch a strategic attack. Third, we should transfer 10,000 cadres from the region, leagues, cities, banners, and counties to work in the forefront of production to enrich their experiences.

These three strategic measures should be organized for implementation by all party and government departments and all units concerned under the unified leadership of the regional party committee. Making a breakthrough in science and technology is one of the three major strategic measures for implementing the plan of planting grass and trees to boost animal husbandry. We should understand from this angle the importance of scientific and technological work in the region's entire work.

2. In carrying out economic construction, we should rely on science and technology, and scientific and technological work must be geared to the needs of planting grass and trees to boost animal husbandry. We should extensively publicize this idea among the broad masses of people and enable them to clearly understand that only by relying on science and technology can they push grass planting and livestock farming forward and become rich within a short period of time.

3. Combining the efforts of scientific and technological workers with that of the broad masses of people is the key to making major breakthroughs in science and technology. To this end, the regional party committee has called on the regional scientific and technological personnel to go to the grass-roots units, the masses, reality, and the forefront of production. Their achievements in this regard and their actual results in popularizing scientific and technological work should be considered as the main standard for appraising their work performance. It is necessary to launch activities to learn from Comrade (Liang Yu) among them.

4. We should formulate specific plans and feasible measures for popularizing scientific and technological findings while implementing the plan of planting grass and trees to boost animal husbandry in 1987. The plans and measures must be formulated in a fact-seeking and realistic manner. They must manifest the different features and [words indistinct] in the various economic sectors. We must do solid work and guard against generalities and uniformity.

In implementing the plans and measures, we should integrate rights with responsibilities and profits and combine together the rights to exercise organizational leadership, to give technological guidance, and to use operational funds.

5. We should organize scientific and technological personnel to compile the science and technology to be popularized this year into pamphlets that are easily understood by readers of the junior middle school educational level. We should extensively publish these kinds of pamphlets and organize personnel to give lectures on them. We should train technological cadres in the rural and pastoral areas, including villages and gacha. It is necessary to sum up experiences and popularize the building of cultural centers and evening schools and the study of legal knowledge among grass-roots units. This work should be mainly organized by the Scientific and Technological Associations at all levels, the CYL organizations, and the Women's Federations.

6. Encouraging scientific and technological personnel to engage in scientific and technological contract business is a good method for integrating science and technology with production and combining the efforts of scientific and technological workers with the masses. We may sign scientific and technological contracts with one or several households, one or several villages, one or several townships, or with several township enterprises. The benefits from the contract business should be linked with the personal incomes of the scientific and technological personnel who should be allowed to retain a certain proportion of money from the above-quota benefits. This point should be listed in the contracts. They should manage things based on contracts. This fully manifests the principle of more pay for those who make greater contributions.

7. Each and every league and city should designate one or two key banners or counties for taking the lead in popularizing scientific and technological findings. Each and every banner and county may also select one or two key townships or sumu to undertake the work. Scientific and technological personnel to the grass-roots levels must prominently grasp scientific and technological contract service work and strive to explore new experiences in 3 to 5 years in implementing the method of integrating the rights to exercise organizational leadership, to give technological guidance, and to use operational funds and in popularizing science and technology.

8. The regional government should organize the various scientific and technological research departments and units to give scientific and technological contract service on an experimental basis in the Huang He irrigation area, Liao He Valley, and the southern part of Xingan Ling. In the experimental contract services, it is necessary to integrate experiments with demonstration and popularization; scientific research with production and management; rights with responsibilities and benefits; and organizational leadership with technological guidance and utilization of operational funds. It is also necessary to conduct systematic study and sum up experiences.

9. Scientific and technological personnel and teachers of the agricultural, animal husbandry and forestry colleges, universities, secondary specialized schools, and secondary technical schools should maintain regular ties with leagues, cities, banners, and counties; combine teaching with scientific research and production, and student practice with the popularization of science and technology; and strive to explore new ways and sum up experiences in this regard within a short time.

10. Party committees at all levels should strengthen leadership over scientific and technological work.

Comrade Tian Congming said: The aforementioned 10 opinions are the guidelines of the regional party committee for the region's current scientific and technological work. They constitute a glorious but arduous task for the scientific and technological departments and personnel. The regional party committee is convinced that through combining science and technology with production and practice, and the joint efforts of scientific and technological personnel and the broad masses of people, the region's economic construction will be effectively promoted and its scientific and technological undertakings will be invigorated.

He expressed the hope that comrades from the scientific and technological circles in the region will have self-respect and self-pride, continue to improve themselves, and strive to work in unity.

#### SHANXI LEADERS COMMEMORATE MARTYR LIU HULAN

HK130149 Taiyuan Shanxi Provincial Service in Mandarin 2300 GMT 12 Jan 87

[Excerpts] On the morning of 12 January, leading comrades of the party, government, and Army in the province including Li Ligong, Zhang Weiqing, Zhang Bangyi, Hu Xiaoqin, Zhang Jianmin, and Guo Yuhuai and some 4,000 people of various sectors held a gathering at the memorial to the martyr Liu Hulan in Wenshui County to commemorate the 40th anniversary of her death. [passage omitted]

In a speech, Li Ligong said: In commemorating the martyr Liu Hulan today, we should learn from her firm faith in the communist ideal, her boundless loyalty to the revolutionary cause, her matchless love for the people, and her party spirit principles of obeying the organization and observing discipline. [passage omitted] We should follow the example of our predecessors, advance boldly, and unswervingly follow the socialist road.

The events since the Third Plenary Session have fully proven that CPC leadership is the sole correct leadership and that socialism is the sole correct road leading our motherland toward prosperity and strength. The workers, peasants, intellectuals, young students, and state work personnel must unswervingly uphold the four basic principles and the line, principles, and policies since the 3d Plenary Session of the 11th CPC Central Committee, and resolutely preserve the political situation of stability and unity.

Recently a very small number of people with ulterior motives, violating the four basic principles, took advantage of young students' desires to express their demands for democracy and [word indistinct] and their enthusiastic concern for political structural reform to stir up bourgeois liberalization, in a bid to cause confusion. Their plot cannot succeed.

Shanxi is an old revolutionary base. The province has made important contributions both in the war years and in the period of peaceful construction. The party and CYL organizations and the schools at all levels must take full advantage of this strong point, integrate education in revolutionary traditions with propaganda for heroic and model figures in the four modernizations drive, and guide young people to learn from their glorious deeds. [passage omitted]

HEILONGJIANG CONFERENCE VIEWS FOREIGN INVESTMENT

0W081935 Beijing XINHUA in English 1457 GMT 8 Jan 87

[Text] Harbin, January 8 (XINHUA) -- The Heilongjiang provincial government today held a conference to attract more foreign investment and hear suggestions from foreign investors.

Speaking at the conference, Governor Hu Jie said: "We will try to create a better environment for investors from foreign countries, Hong Kong and Macao, and create more opportunities for them to have a free talk with us."

At the conference, which was attended by over 200 foreign and Hong Kong, Macao business people, the governor announced his government's regulations on encouraging foreign investment and a group of new projects to involve foreign partners.

According to the regulations, the decision-making power of enterprises using foreign funds for affairs of personnel and profit distribution will be fully respected. Their internal business activities will not be interfered with by any government office.

"The funds, raw material and equipment needed by them will be offered preferentially. No departments will be allowed to illegally charge fees to foreign invested enterprises, which are entitled to reject any improper levies," Hu said.

There are 67 enterprises of cooperation in the province with the partners and investors coming from Australia, France, Japan, Singapore, Hong Kong and Macao.

LIAONING RIBAO ON 4 CARDINAL PRINCIPLES CITED

SK121101 Shenyang Liaoning Provincial Service in Mandarin 2200 GMT 11 Jan 87

[Text] On 12 January, LIAONING RIBAO front-pages a commentator's article entitled: The Party's Leadership Represents the Fundamental Guarantee for Victory in Our Cause.

The article points out: Some students in several localities have staged demonstrations on the streets, due to the fact that bourgeois liberalism has been rampant over the past few years and that some comrades have not taken a clear-cut stand and adopted a firm attitude opposing it. In order to oppose bourgeois liberalism by adopting a clear-cut stand at present, it is imperative for us to unswervingly uphold and publicize the four cardinal principles. We should first of all uphold and enhance the party's leadership.

The article points out: The central idea of bourgeois liberalism is to oppose the party's leadership. The serious harmfulness and danger of a handful of people who have instigated bourgeois liberalism also lie in opposing the party's leadership. Therefore, to oppose bourgeois liberalism, it is necessary for us to further discern the supreme importance of upholding the party's leadership and the historical necessity of opposing it.

PREMIER YU ADDRESSES EXECUTIVE YUAN MEETING

OW051055 Taipei CNA in English 1008 GMT 5 Jan 87

[Text] Taipei, Jan 5 (CNA) — Premier Yu Kuo-hua Monday called on government officials to pool their wisdom and prepare for domestic and international challenges the nation may face in the new year.

Premier Yu made the call in the first meeting of the Executive Yuan in 1987, urging new policies and new measures to cope with new situations in the coming year. He emphasized the importance of good service from the government sector.

All ranking cabinet officials exchanged new year's greetings on the occasion.

Reminiscing the events which occurred in the country over the past year, Yu concluded 1986 was a year of harvest for the Republic of China [ROC].

Economically, Yu said, the nation achieved a bullish annual growth rate of 10.8 percent in 1986. Commodity prices were remarkably stable and per capita gross national product exceeded \$3,700.

Politically, the government lifted the nation's emergency decrees and revised the election law as well as laws governing private organization and meeting. These moves brought the nation closer to [word indistinct] democracy status, he said.

But the premier warned that new difficulties and challenges could easily arise in 1987. He pointed to increased protectionism around the world, the ROC's ballooning foreign exchange reserves and the nation's continued trade surplus which may trigger domestic inflation and other economic obstacles.

KMT WINS MAJORITY OF SEATS IN 10 JAN BY-ELECTIONS

OW111139 Taipei International Service in English 0200 GMT 11 Jan 87

[Text] Partial elections of the Control Yuan got underway Saturday morning with the newly formed opposition Democratic Progressive Party [DPP] split in its position to boycott it. Balloting started simultaneously at 9 am at the Taiwan Provincial Assembly and the city councils of Taipei and Kaohsiung, the two special municipalities of the Republic of China. Ballot counting began immediately upon completion of the balloting, and the ruling KMT won the majority seats of this election. At stake were 22 of the 69 seats in the Control Yuan, whose members are the equivalent of ombudsmen. The Taiwan Provincial Legislature elected 12 of them, and KMT candidates filled all the 12 vacancies. The two city councils elected five each with KMT grabbing three seats in Taipei and two seats in Kaohsiung City. DPP members won only one seat in Taipei.

There were contenders in the race. The ruling Kuomintang entered 15 candidates with 24 other party members running on their own. The minority Young China Party named three standardbearers. The remaining candidates are either independents or DPP members running in defiance of the party's boycott decision.

Before the vote began, the DPP organized two small rallies outside the Taiwan Provincial Assembly and the Kaohsiung City Council to protest what it called unfair election laws and rumored vote-buying. Under the election law, which was introduced for the first time, a voter may elect not more than half of the seats contested, which means six for members of the provincial legislature and two for councillors in Taipei or Kaohsiung, whereas the old law allowed a voter to elect only one candidate. The new ruling was adopted for purpose of strengthening the representativeness of Control Yuan members and reducing chances of widely reported voting-buying practices. The opposition, however, charged that the new election ruling works in favor of the majority party and, therefore, decided to boycott the election. Many DPP members, however, ignored the decision. They have gone ahead with the voting.

The ruling Kuomintang has 77 seats in the Taiwan Provincial Assembly, 50 in the Taipei City Council, and 42 in the Kaohsiung City Council, compared with the DPP's 25 seats in all three local legislatures.

#### PRECAUTIONS TAKEN AGAINST COMMUNIST INFILTRATION

OW100303 Taipei CNA in English 0239 GMT 10 Jan 87

[Text] Taipei, Jan 9 (CNA) -- The government of the Republic of China [ROC] has always welcomed all Chinese living abroad who wish to return to their motherland, but it will not allow the entry of people who might endanger national security, the Executive Yuan said Friday.

The Yuan made this written response to an interpellation by Legislators Hsu Jung-shu and Fang Su-min.

The Yuan pointed out that the government's first priority is the welfare of its people who CNA, in turn, support Chinese brethren living abroad. Anyone who does not oppose the policies of the ROC will be welcomed by the government here when the apply to return.

However, to assure national security and social tranquility, the ROC Government must carefully screen the few elements who wish to use violence to enter this nation, the Yuan stressed.

In addition, the Yuan pointed out that the current regulation which states that Chinese people who have successfully escaped from Mainland China must be either over 75 years old or live in the free world up to five years before applying to enter this nation is a necessary precaution against the infiltration of communist spies.

Overseas Chinese who went to Mainland China to sightsee or visit their family for a short time will be granted entry to the ROC only if their visits did not involve politics, the Yuan said, adding that any Overseas Chinese who leaves the ROC and settles in another country will be allowed to return only if they retain their legal passports.

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